

LATE NCAA RESULTS See SPORTS

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

No. 32,679 12/88

PARIS, MONDAY, MARCH 21, 1988

ESTABLISHED 1887

Reagan Raises the Possibility Of 2d Summit Meeting in '88 If Needed, For START Agreement

By Joseph Fitchett International Herald Tribune WASHINGTON — President Ronald Reagan has opened up the possibility of a second summit meeting this year between himself and Mikhail S. Gorbachev if it is needed to sign a strategic arms reduction, or START, agreement.



'We don't want anyone negotiating against a deadline because that way you can come up with a bad agreement.' President Reagan

In an interview Friday amid reports that a strategic arms reduction treaty will not be ready in time for the scheduled May summit talks in Moscow, Mr. Reagan was asked if he would consider another summit meeting. He answered, 'Oh, if to sign a treaty, yes, certainly.'

Satisfaction With Japan Over Defense

International Herald Tribune WASHINGTON — President Ronald Reagan does not believe that Japan should change its statutory limitations on military activity because, he said, that nation is already shouldering more security responsibilities.

'At the moment I don't think that is necessary,' he said in an interview Friday with the International Herald Tribune. He added: 'Under their own rules, they have increased their willingness to take on some of their own defense.'



An Israeli Soldier Is Shot to Death in Bethlehem An Israeli soldier, Moshe Katz, was slain by a gunman Sunday as he stood guard outside a civil administration office in Bethlehem. The 28-year-old soldier became the first Israeli killed during the current wave of the Palestinian unrest. Page 5.

In Ulster, Police Hunt Killers of Soldiers

By Francis X. Clines New York Times Service BELFAST — Amid denunciations of murder from parish pulpits, Northern Ireland braced Sunday for an expected security roundup of the funeral mob that killed two British soldiers on Saturday.

well-known, fiercely anti-British enclave. Some community residents contended the soldiers were members of the army's hated anti-terrorist undercover units, a charge the army denied. Others said that as the two soldiers raced their car in apparent panic into the funeral cortege, and then drew a weapon while trying to break free, they were assumed to be intruders in league with the assassin who killed three mourners Wednesday in a grenade attack on an Irish Republican Army funeral.

The Roman Catholic clergy said the killings were murderous. They noted that mob leaders executed the men behind the wall of a nearby sports stadium, with the press kept away after they had been identified as English soldiers. 'We had foul and bloody murders committed in our parish yesterday,' Father Tom Toner angrily

told his congregation Sunday at morning Mass in St. Agnes's church, only yards from where the killings took place. 'Our parish is seen as dripping in the blood of the murdered,' he said, 'and one thinks of the mob baying for the blood of Jesus.'

Klosk

Egypt Extends Emergency

The Associated Press CAIRO — The Egyptian legislature approved on Sunday a three-year extension of emergency laws that the government said were needed to combat Moslem fundamentalists and terrorist threats.

Monday Q&A



Manfred Werner of West Germany, who becomes NATO secretary-general in July, discusses the outlook of the alliance. Page 2.

General News

Sandinista rebels would attend peace talks as planned in Nicaragua. Page 3.

Sports

Temple, the No. 1 U.S. college team, rolled over Georgia Tech, 74-53, in the NCAA basketball tournament. Page 13.

Business/Finance

Regulators moved to avert a run on the second-largest U.S. savings and loan. Page 7.

ASIA, Page 4

Complicated START talks are likely to precede U.S. officials in coming months, he said, implying that any other major disarmament breakthrough is unlikely this year.

Mr. Gorbachev "actually is advocating some of the things that Lenin talked about that were not as restrictive and single-minded as Stalin was," Mr. Reagan said, adding that Lenin was ready to live with capitalism and even said "that the Communists could learn from it."

Mr. Reagan also made the following points: • Complicated START talks are likely to precede U.S. officials in coming months, he said, implying that any other major disarmament breakthrough is unlikely this year.

• Arms control breakthroughs resulted from Western military and diplomatic pressure, he said, not from Western political concessions or promises of economic cooperation to the Soviet Union.

• Soviet disinformation campaigns have distorted his image in Western Europe, he said, and are largely the reason that polls indicate that he is less trusted by a majority of West Germans than is Mr. Gorbachev.

• On U.S. policy toward Afghanistan, he said, "We certainly will not do anything that endangers the mujahidin." Instead of accepting Soviet demands for a cut-off of U.S. military aid to the mujahidin, he said, "certainly we will have to continue it as long as there is a threat to them."

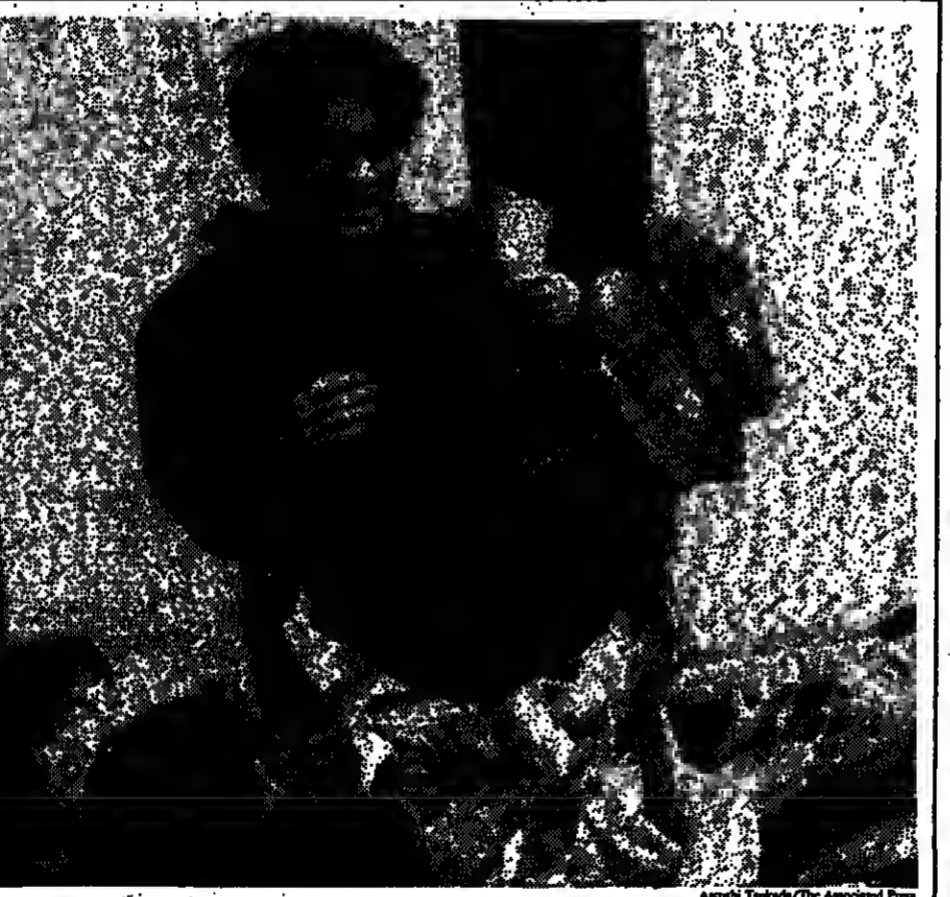
The Soviet foreign minister, Eduard A. Shevardnadze, arrived Sunday in Washington, preceded by Soviet statements that U.S. negotiators were blocking progress in the START talks toward a treaty in time for Mr. Reagan's appointment in May in Moscow.

Mr. Reagan said, however, that even if the treaty was not ready by May, he still regarded the Moscow meeting in positive terms. "I think that this summit would engage itself in helping to further the things where there was still disagreement," he said.

Then, he added, "I would support the idea of getting together for a signature."

Asked if he believed that the Strategic Defense Initiative, the U.S. plan for space-based defenses, was a major obstacle to a START agreement, Mr. Reagan said: "No, I don't. Matter of fact, that didn't seem to be, when we were having our earlier talks here."

In talks with Mr. Gorbachev in the Oval Office in December, the



MAKING THE GRADE — A Japanese high school graduate being tossed Sunday by well-wishing friends after passing the highly competitive entrance examinations for Tokyo University, Japan's most prestigious institute of higher learning. The student was among 3,684 who passed.

Asia's Overseas Chinese: Often a Distrusted Elite

By Keith B. Richburg Washington Post Service

MANILA — They are known as the overseas Chinese: descendants of poor migrants who came from the Chinese mainland more than a century ago to work as retail traders or laborers building the bridges and railroads in the former British, Dutch and American colonies throughout Southeast Asia.

Today, they are the region's wealthiest and most powerful business tycoons, with many of their once-small and tightly knit family businesses ranking among the world's largest corporate conglomerates.

For their perceived economic clout and business acumen and the discrimination they have suffered from indigenous populations, the Chinese of this region have been described, sometimes derisively, as "the Jews of Asia" in numerous Asian writings comparing them to the Jews of old Europe.

discrimination against us and partly because of our success in business," explained Teresita Ang See, a Filipino-Chinese professor in Manila. Despite their small numbers, ethnic Chinese are estimated to control more than 40 percent of the corporate economy in the Philippines. They own half the private assets in Indonesia, and they account for the bulk of private economic activity in Malaysia, despite discriminatory laws aimed at limiting their clout. Even in fiercely nationalistic Thailand, most of the corporate economy is controlled by large, family-based Chinese-Thai groups.

With closely woven connections of friendship and kinship, overseas Chinese from the Philippines to Indonesia to Vietnam have fueled their business expansion through their easy access to capital from the region's powerful Chinese-owned banks of Hong Kong and Taiwan.

Various governments have pointed to these outside financial connections in accusing the overseas Chinese of virtually

controlling the black market rate of local currencies. In Ho Chi Minh City last year, Nguyen Xuan Oanh, a Western-educated government economist, blamed the country's unfavorable exchange rate "on currency speculation, and most of it is centered in Chinatown." In the Philippine newspaper Malaya, one columnist, Jake Macasat, regularly accuses the Chinese of "black marketeering" and currency speculation to erode the value of the peso.

The economic power of the ethnic Chinese — part real and part exaggerated — has often generated resentment from native populations. This has led to anti-Chinese riots, laws barring Chinese from certain professions and measures aimed at forcing their assimilation by wiping out their culture. Governments have restricted the use of the Chinese language, closed Chinese-run schools and, in Malaysia, banned the traditional Chinese "dragon dance."

of the Communist government in Beijing, particularly in the staunchly anti-communist governments of Southeast Asia, which in the 1960s and 1970s were battling communist insurgencies backed by China. In Malaysia, Thailand and Indonesia, the communist insurgencies were, for the most part, spearheaded by ethnic Chinese.

In Vietnam, China, on the northern border, remains the principal security concern, and officials in Hanoi have used the ethnic Chinese as pawns in their political confrontation with Beijing. The vast majority of the "boat people" who fled Vietnam in the late 1970s and early 1980s were ethnic Chinese from Cholon, the Chinatown of Ho Chi Minh City, formerly Saigon. Many of them were encouraged by the government to leave.

Questions about the loyalty and patriotism of overseas Chinese have led to laws in almost every Southeast Asian country either restricting their right to become citizens

See CHINESE, Page 4

Noriega Must Go, U.S. Says

Shultz, Increasing Pressure, Offers To Aid Overthrow

By Fred Farris International Herald Tribune WASHINGTON — Secretary of State George P. Shultz declared Sunday that General Manuel Antonio Noriega must leave Panama, "the sooner the better," and that the United States would help Panamanians overthrow him.

After General Noriega rejected a U.S. demand that he give up power and go into exile, Mr. Shultz increased the pressure on him in statements in a television interview.

"There is completely eroding support for him," Mr. Shultz said. "The civilians want him to leave." He added, "Increasingly the military is cracking open and making it clear that they want him to leave."

"What he has to do is leave," Mr. Shultz said, "and he should settle it quickly before the opportunity that's there before him to go to Spain should disappear."

A communiqué issued Saturday in Panama City after talks between General Noriega and two U.S. representatives seemed to dim prospects for a negotiated solution.

The Panamanian military leader, who has been indicted by two U.S. grand juries on charges of drug trafficking and racketeering, insists he will remain in Panama, but U.S. officials are said to believe that he cannot cling to power for more than a few days.

Asked whether the United States was prepared to drop the indictments and allow General Noriega some say in the government transition, as he is reportedly to want, Mr. Shultz said bluntly: "He can't expect any indictments to be quashed. That's out of the question. And he can't expect to have any say in the transition."

He accused the illegal of seeking "to provide an illegal transition through a virtual coup by the unconstitutional and phony process in which he tried to displace the legitimate president of Panama."

Mr. Shultz said General Noriega "increasingly is seen as a drug-dealer, as a person who has very close Cuban-Libyan ties."

"It shouldn't be lost on anybody that the first foreign government president to come to his side was President Ortega of Nicaragua," Mr. Shultz said. "So you see the kind of company he's keeping, and the Panamanians see that."

"So they ought to get him out and they are expressing that in all

See PANAMA, Page 4

Michigan: Democrats Muddle

Jackson Has Least to Lose

By Edward Walsh Washington Post Service

DETROIT — It is now up to Michigan Democrats to begin to sort out the muddled race for their party's presidential nomination. This time, some progress in that direction may be made.

However, the Reverend Jesse L. Jackson, who is running at or near the front of the pack in state public opinion polls, appears to have the least to lose in next Saturday's Democratic caucuses in Michigan.

For the rest of the field — Governor Michael S. Dukakis of Massachusetts, Representative Richard A. Gephardt, and Senators Albert Gore Jr. and Paul Simon — the state of Michigan, with its 138 delegates, could continue the "winnowing process," that has seen some candidates fall by the wayside or become increasingly insignificant.

Michigan is the first of two big Democratic prizes this month, fol-



Governor Michael S. Dukakis looking for votes in Michigan.

lowed by Connecticut on March 29. But between and around the highly visible contests, the struggle for delegates in less-noticed states goes on.

[Mr. Dukakis won the Kansas Democratic caucuses Saturday. The Associated Press reported from Topeka. Mr. Jackson finished a surprising second.

[With 115 caucuses reporting, Mr. Dukakis had 278 local delegates for 36 percent, Mr. Jackson 235 for 31 percent and Mr. Gore 125 for 16 percent. A further 114 delegates, or 15 percent, were elected in uncommitted status.

[Mr. Gephardt got only 12 delegates and Mr. Simon failed to pick up a single delegate.]

In Michigan, the stakes appear highest for Mr. Gephardt, whose tough talk about unfair trade practices should be popular in the home state of the U.S. automobile industry. But public opinion polls, including one published Sunday by The Detroit News, show Mr. Gephardt running a distant third behind Mr. Jackson and Mr. Dukakis.

According to the poll, Mr. Dukakis leads the field with 33 percent of the vote, followed by Mr. Jackson with 31 percent. Mr. Gephardt with 10 percent. Mr. Gore with 5 percent, and Mr. Simon with 2 percent. A poll published last week by the Detroit Free Press, was almost

See DEMOCRATS, Page 4

Bush Faces A Paradox

By Gerald M. Boyd New York Times Service

WASHINGTON — Vice President George Bush's large accumulation of delegates may present him with a paradox: a quick lockout of the Republican nomination could potentially harm his general-election bid in November.

The opportunities for Mr. Bush's success, his aides say, are many. They say he can fine-tune his message, unite the party and control the political landscape far better than whoever wins the Democratic nomination after the protracted battle being fought among that party's hopefuls.

On Monday, Mr. Bush was to travel to New Jersey to receive the long-sought endorsement of Governor Thomas H. Kean — a positive omen of the vice president's current success, Bush aides believe.

But success in the primaries brings risks, too. Some political strategists fear that Mr. Bush will virtually disappear from the public eye once the nomination is his. Others talk of complacency or potential distractions that will prevent him from getting out his message.

"It's one of those classic good news, bad news situations," said Eddie Mabe, a Republican political consultant. "The good news is that he knows he is the nominee now; the bad news is he becomes invisible for five months with Democrats beating on Bush."

David Garth, a Democratic consultant, said that Mr. Bush's likely early win would normally be a plus. But Mr. Bush is in an unusual situation, he argues.

Without a Republican contest to focus about, journalists are likely to write on the one issue that has plagued Mr. Bush and that some believe has unanswered questions — his role in the Iran-contra affair.

Mr. Garth said that such a predicament is even more possible with the indictments this week of four of the leading players in the secret scheme. Mr. Bush has said

See BUSH, Page 4

New NATO Chief Says Arms Can Be Cut if Strategy Is Intact

Manfred Wörner, 53, West Germany's minister of defense since the center-right Christian Democrats took office in 1982, will become secretary-general of the North Atlantic Treaty Organization in July. He talked to Joseph Fitchett of the International Herald Tribune about the outlook for the alliance.

problems that still make armed forces necessary.

Q. Will Europe be affected by a strategic arms reduction treaty?

A. My government and I favor a 50 percent cut in strategic nuclear arms. But

MONDAY Q&A

since the U.S. strategic arsenal is the backbone of NATO's posture on deterrence, the United States must retain sufficient strategic options to implement NATO strategy, and the Soviet Union must give up its superiority in some of its nuclear options. I fully support the U.S. negotiating approach.

Q. You are known to think that the United States must resist Soviet proposals for cutting the number of U.S. sea-launched nuclear cruise missiles, many of which are assigned to the defense of Europe.

A. The superpowers have agreed not to count these missiles in the overall ceiling

of 6,000 warheads, but they are generally willing to include them somehow in the overall agreement.

Q. Is NATO concentrating on nuclear modernization at the expense of conventional arms?

A. NATO, as the summit showed, is willing to maintain adequate forces. The triad of conventional weapons, tactical and strategic nuclear arms, has proven the right way, and we have to stick to it. There is no alternative to some nuclear arms. By the way, modernizing weapons is a continuous process in all armed forces, there is nothing sensational in it. For example, the process of improving nuclear artillery shells in NATO is well under way.

Q. Do you believe West Germany has been "singled out" in terms of nuclear risk, that is, singled out as a Western nuclear spearhead?

A. I personally don't see any danger of singularization. The contrary is true. De-

bate on singularization misses the reality, the fact that 400,000 allied soldiers are stationed on our soil. Of course, geography cannot be changed, and my country is a frontline state, with the division of the German nation into two states. So this is a unique situation. But our allies understand this. West Germany has an 80 percent consensus, according to opinion polls over many years, that peace in freedom can only be preserved by our membership in NATO and by the presence of allied troops. There is not the slightest indication for speculation that the Federal Republic might be on its way to neutralization.

Q. Does West Germany want a European pillar in NATO built on the Western European Union, the seven-nation organization that focuses on military cooperation?

A. Europe must be strong for the alliance to be strong. As long as we Europeans are cooperating within NATO—and

not to the side of it—we consolidate our common house. WEU is an appropriate forum, and we are satisfied with its development and with the fact that our North American partners support it.

Q. Should European nations cooperate more on arms development?

A. NATO countries are improving cooperation where and when possible. The European Fighter Aircraft is the encouraging next step in this path. We exclude no NATO country from taking part in it that wants to take part.

Q. What is the significance of a West German being named for the first time to head NATO?

A. The nomination indicates that the Federal Republic has become a European member of NATO like any other. It's an honor for me personally and for my country. One has to keep in mind that the secretary-general has a supranational function. I'm looking forward to doing the job.

WORLD BRIEFS

Philby Says British Backed Defection

LONDON (Reuters) — Kim Philby, the double agent who spied for the Soviet Union and was whisked to Moscow in 1963, says his British intelligence bosses connived at his defection to avoid embarrassing the government. "The last thing that the British government wanted was me in London as a security scandal and a sensational trial," he told the Sunday Times in an interview at his Moscow apartment.

PLO Legal Moves Expected at UN

UNITED NATIONS, New York (Reuters) — The Palestine Liberation Organization, which is under U.S. orders to shut its UN mission Monday, hopes to delay the closure through legal maneuvers, an A official said Sunday.

Clovis Maksoud, the representative of the Arab League at the UN, said lawyers for the PLO would probably ask for U.S. federal court jurisdiction in the dispute, which Mr. Maksoud said might win a day suspension of the closure.

An injunction could then be sought to further stay enforcement of 1987 Anti-Terrorism Act, under which the U.S. Justice Department directed to close the mission by March 21. Ramsey Clark, a former attorney general, is advising the PLO, Mr. Maksoud said. The Gen Assembly was to resume emergency debate on the question Monday.

Zhao Calls for More Party Openness

BEIJING (WP) — The Chinese Communist Party chief, Zhao Ziyi, has called for greater openness in the country's still largely secretive party and government, the official news agency Xinhua said Sunday.

"We must speak the truth to the whole people about major incidents concerning social stability," Mr. Zhao said during a five-day meeting of the Communist Party Central Committee. "There should be no compromises and no impossible targets set."

Mitterrand to Announce This Week

PARIS (AFP) — President François Mitterrand will announce next week whether he intends to seek a second seven-year term in the French presidential elections, he said Sunday.

It is regarded as a virtual certainty that Mr. Mitterrand will enter race, and the delay in his announcement has infuriated his opponents, tantamount to the country. The first round of voting is April 24, with a re May 8 between the two top contenders.

In a videotaped message shown at a rally of 10,000 Socialist Party supporters, Mr. Mitterrand noted that the "deadlines set by the constitution approach." Presidential hopefuls must declare their candidacies at least a month before the first round of voting.

Salvador Votes Amid Rebel Action

SAN SALVADOR (Reuters) — Sabotage and threats by leftist guerrillas left most of El Salvador without electricity and kept private traffic on the roads Sunday during national legislative elections.

People went to polling stations on foot and in army trucks, government buses and transportation arranged by political parties after guerrillas warned that any private cars and public buses on the road would be attacked.

In San Salvador, soldiers patrolled the streets, armored cars stationed at corners and helicopters kept watch from above. The 1,000-member National Liberation Front, the main guerrilla grouping vowed to disrupt what it called "the electoral farce."

U.S. Customs Expands Drug Battle

WASHINGTON (Reuters) — New guidelines that allow the arrest of anyone entering the United States with even tiny amounts of illegal drugs go into effect Monday, according to the U.S. Customs Service spokesman, William von Raab.

Mr. von Raab said that all cases would be prosecuted and passports and other travel documents belonging to suspects would be held as evidence.

Previously, travelers caught with very small amounts of drugs sometimes fined and released, and heavy court backlogs prevented cases from being prosecuted.

Hawke Stronghold Falls in Australia

SYDNEY (Reuters) — The governing Labor Party in Australia suffered a humiliating election defeat, losing control of its power to New South Wales to a conservative coalition after 12 years.

The state election, the first since Prime Minister Bob Hawke's third term last year, had been seen as a major test for his Labor Party. With counting completed in races for all but 19 seats in the 109-member state Parliament, the Liberal Party had won 55, the Labor Party 30 and the National Party five, election officials reported.

TRAVEL UPDATE

Ferry Strikes Clogging Channel Port

LONDON (AFP) — Port authorities in Dover, England, said Sunday that congestion caused by ferry strikes in the English Channel port decreased, but they warned that the situation could worsen if the strikes by French and British seamen continued.

About 400 trucks waiting for a ferry to France were blocked in the Sunday; some had been there as long as 48 hours. About 60 cars several buses also were waiting, some for up to 12 hours. Only one was operating between Dover and the French port of Calais, but traffic from Dover to Belgium was normal.

The Sealink ferry operator, hit by the French seamen's strike, suspended its service between Newhaven and Dieppe, but maintained its Dover-to-Boulogne service. Hovercraft traffic was normal. Dover has been largely paralyzed since Thursday by the French strike and a strike involving British seamen of P&O European Ferries.

Air France is to begin serving six more cities — Alexandria, Egypt; Izmir, Turkey; Salonika, Greece; Seville and Valencia, Spain; and Pisa, Italy — during the next few weeks, the airline said Saturday. (A)

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

- MONDAY: Colombia, Iran, Iraq, Japan, Lesotho, Mexico.
- TUESDAY: Puerto Rico.
- WEDNESDAY: New Zealand, Pakistan.
- FRIDAY: Cyprus, Greece, Nepal, San Marino.
- SATURDAY: Bangladesh.
- SUNDAY: Burma, Djibouti.

Source: Morgan Guaranty Trust Co., Rest.

DOONESBURY



UNIVERSITY DEGREE
BACHELORS • MASTERS • DOCTORATE
For Work, Academic, Life Experiences.
Send detailed resume for free evaluation.
PACIFIC WESTERN UNIVERSITY
600 N. Sepulveda Blvd.,
Los Angeles, California,
90067, Dept. 23, U.S.A.

THE HOLDSQUEST MIND WOULD NOT LEAVE.
SUN WHAT'S IT BEEN, OLD BEAN? FOUR MONTHS? I JUST GAVE HERE!

BUT OF ALL THE MYRIAD HARDSHIPS THAT ATTEND PRIVILEGE, ONE IS DREADED ABOVE ALL OTHERS...

West Germany's Social Democrats Edge Toward the Political Center

By Robert McCartney

Washington Post Service

BONN — The Social Democratic Party, a year after its second straight national election defeat, left it divided internally and uncertain about its future direction, has edged toward the political center in hope of regaining power in the early 1990s.

Its chairman, Hans-Jochen Vogel, has strengthened discipline in the left-of-center party, forcing its factions to curb their squabbling and present a united front to the public.

Under Mr. Vogel, the party also has set aside thoughts of seeking a coalition with the Green Party, the pacifist and environmentalist organization. The Social Democrats have concluded that the Greens are too divided to be good partners, and that West German voters are too conservative to endorse such a leftist coalition.

Instead, the Social Democrats are hoping eventually to break up the governing center-right coalition by wooing away the middle-of-the-road Free Democratic Party, according to party officials and other analysts.

They said there also was a small chance that the Social Democrats might seek a "grand coalition" with Chancellor Helmut Kohl's Christian Democratic Union.

As a result, the Social Democrats now are looking to build support in the political center, particularly on economic and social issues, where West German elections normally are decided. The shift began about a year ago, when Mr. Vogel was selected as chairman to replace Willy Brandt.

"Vogel wants to present an image of a very responsible party, and to show that there's no loony fringe on the left anymore," a party theorist said.

In the clearest sign yet of the new approach, the party's best-known leftist firebrand, Oskar Lafontaine, stunned the nation this month by endorsing a surprisingly moderate proposal for reducing unemployment.

Mr. Lafontaine, who is premier of the state of Saarland and a deputy chairman of the national party, proposed that unions should accept cuts in pay if they obtained the cuts in working hours that they have sought for years. The money saved in such a program could be used to hire the jobless, he said.

Similar proposals have been

Kohl's Party Keeps Majority In State Vote

Reuters

BONN — Chancellor Helmut Kohl's Christian Democratic Union retained a majority in Baden-Württemberg state elections Sunday as extreme rightists gained at the expense of major parties.

The main issue in the campaign was Mr. Kohl's leadership style. The chancellor said Sunday he was proud that the state premier, Lothar Späth, had defended the party's majority despite unfavorable opinion polls.

Provisional results gave the Christian Democrats 49.1 percent of the vote. Under state electoral rules they needed 48 percent for a majority to control the state parliament. In the last state election, in 1984, they won 51.9 percent.

Three far-right groups won a total of 5.1 percent, compared with 0.5 percent in 1984. None attained the 5 percent minimum needed for a seat in the state parliament. Mr. Kohl, who said cuts in agricultural subsidies had cost his party farm votes, dismissed the far right's gains, saying they were less than extremist votes in other European countries.

The Social Democrats won 32 percent and the Free Democrats 5.9 percent, both less than in 1984. The Greens took 7.9 percent, slightly lower than in 1984.

made before, but always by employers' groups and by the Social Democrats' political rivals to the right.

Mr. Lafontaine's proposal outraged many labor leaders. Franz Steinkühler, the leader of the metalworkers' union IG Metall, called it a "stab in the back."

Seeking to calm the waters, Mr. Vogel arranged for the party executive committee to endorse a watered-down version of Mr. Lafontaine's proposal.

But the initiative was widely viewed as a political masterstroke.

It simultaneously underlined the Social Democrats' growing pragmatism and gained welcome publicity for the opposition party's ideas.

It also called attention to Mr. Lafontaine, who may challenge Mr. Vogel for the right to represent the party as candidate for chancellor in the next national election, which is expected in late 1990.

Mr. Vogel, 62, a former justice minister, lost to Mr. Kohl in 1983. The Social Democrats also lost last year when their candidate for chancellor was the North Rhine-Westphalia state premier, Johannes Rau.

In an interview, however, Mr. Vogel welcomed Mr. Lafontaine's move.

"We are, for the first time in quite a while, in the situation where we are in the lead on a controversy in the field of economics and employment," Mr. Vogel said.

Mr. Vogel, perhaps seeking to avoid offending his party's left wing, denied that the Social Democrats were moving to the center. But he expressed strong doubts that the Greens would be a serious political factor in the foreseeable future.

He also said that the party should seek to broaden its appeal to small businessmen and entrepreneurs, who have been skeptical of its working-class orientation.

Mr. Vogel has steered the party on a course to the left of the Free Democrats on foreign policy issues, but well within striking distance of a compromise if a coalition is to be built after the next election. The once-fractious debate over whether a Social Democratic-led government would seek to weaken West Germany's links to the North Atlantic Treaty Organization has virtually been forgotten.

On the hottest security issue in West Germany, the future of NATO's short-range nuclear weapons, the Social Democrats favor their ultimate elimination. That is contrary to the government's position favoring sharp reductions but no "zero option" for such weapons.

This issue promises to be at the top of his agenda in talks in Washington this week. Mr. Vogel was to begin a five-day U.S. visit on Monday.

He is scheduled to meet Secretary of State George P. Shultz and Defense Secretary Frank C. Carlucci on Friday, and also hopes to meet President Ronald Reagan.



Tiran Grevorkyan, right, an Armenian Apostolic Church envoy, spoke Sunday with Armenian supporters in Moscow. Azerbaijani activists, meanwhile, are reportedly preparing for more protests.

Azerbaijanis Prepare for Protests If Kremlin Ruling Favors Armenia

By Gary Lee

Washington Post Service

MOSCOW — Ethnic tensions in the Azerbaijani capital of Baku are simmering anew, and activists there are preparing for another round of protests in the flare-up with Armenia, Azerbaijani dissident sources said here Sunday.

Azerbaijanis are expecting the Soviet leadership by the end of this week to concede to Armenian demands that the disputed autonomous region of Nagorno-Karabakh be annexed from Azerbaijan and united with Armenia, according to one of the sources, who has just returned to Moscow after a four-day fact-finding mission to Baku.

The sources said that Azerbaijanis are planning to stage a major demonstration in Baku on March 26, the date the Soviet leadership is expected to rule on the issue, if a decision is made in favor of Armenia. Already, hundreds of Azerbaijanis are gathering in Baku and some are stockpiling weapons to be used in the protest, a source said.

Some Armenian dissidents have also threatened to call another mass rally in the Armenian capital of Yerevan on March 26 if the Kremlin rejects their appeal for unification with Nagorno-Karabakh, which is more than 75 percent Armenian even though it is part of the republic of Azerbaijan.

However, the organizers of last month's protest in Yerevan are divided over whether to support another protest or to allow the Soviet leadership more time to resolve the issue. The original protest continued for a week and drew well over a million demonstrators before it was eventually called off on Feb. 29 after Mikhail S. Gorbachev, the Soviet leader, met with

two Armenian activists and promised to review the situation.

Mr. Gorbachev, who has just returned to the Soviet capital from a five-day trip to Yugoslavia, recently said that the issue of Nagorno-Karabakh must eventually be decided directly by Azerbaijanis and Armenians.

In Baku, Soviet authorities have deployed a heavy contingency of armed militia and internal troops to keep ethnic tensions from boiling over there, the Azerbaijani sources said. The troops are especially visible in policing the Azerbaijani capital at night, the sources said.

In Yerevan, the situation is tense in anticipation of a party decision on Nagorno-Karabakh, according to Armenian activists reached by telephone there.

In the Nagorno-Karabakh capital of Stepanakert, Armenians are continuing a street protest for their unification with Armenia, Armenian sources said. On Thursday, local party officials rejected a third Kremlin appeal for them to stop the demonstration and instead voted for unification.

In Moscow, a Politburo member, Yegor K. Ligachev, and other Kremlin officials met Friday with Armenian and Azerbaijani activists from the region, according to the official Soviet media. Mr. Gorbachev has proposed holding a plenary meeting of the Soviet Central Committee on the question of ethnic unrest and several unofficial sources have said that the session could take place as early as March 28.

In separate interviews on Sunday, two Azerbaijani sources gave their version of the bitter feud with Armenia in an apparently concerted effort to combat the flurry of

press conferences and interviews. Armenians have been holding with Moscow-based Western journalists since the dispute first broke out over a month ago. Both sources asked not to be identified.

The sources said that Azerbaijani activists have countered Armenian claims for Nagorno-Karabakh with a list of their own demands, including one that all Armenians now living in Nagorno-Karabakh be deported to Armenia.

The sources also gave the first Azerbaijani account of the riots in Sumgait, in which Azerbaijanis killed at least 34 Armenians and wounded hundreds of others.

The protests in Azerbaijan began Feb. 24, when several thousand students from Bakuinsky University and several other institutions in Baku gathered in the central square to protest the Armenian claim for Nagorno-Karabakh, the sources said.

A group of some 30 Azerbaijani youths who had arrived from the Armenian city of Ganak told the Baku demonstration that Armenians in Ganak had beaten and raped Azerbaijani women as part of their massive protest, the sources said.

The youths went to Sumgait and started a protest there on Feb. 27, the sources said. They repeated stories of atrocities that Armenians allegedly committed against Azerbaijanis.

Armenians have denied that any violence took place in connection with their protests, and the official Soviet media reported none.

The demonstrations in Sumgait nevertheless grew from 500 on Feb. 27 to 2,500 on Feb. 28 and turned into a riot by the end of that day, the sources said.

Experts Discount Mind Risk From Dormant AIDS Virus

By Paul Lewis

New York Times Service

GENEVA — An international conference of medical experts announced Friday that it had found no evidence that people infected with the AIDS virus were likely to suffer mental disturbances before suffering from the disease itself.

The conference said there was no medical justification for companies to screen employees to see whether they were carrying the AIDS virus in order to guard against possible incidents of mental disorder while the virus remained dormant in their bodies.

Some studies have found that neurological abnormalities are sometimes an initial disease symptom of infection with the AIDS virus. But the conference issued a statement saying that screening for AIDS infection was "not a useful strategy" for discovering potential

mental disorders in otherwise healthy people.

Officials with the World Health Organization said the conference findings were important because a number of organizations and businesses, including airlines, had begun screening employees to learn whether they were infected with the AIDS virus because they feared this could impair their mental stability.

Several airlines are reportedly checking to see if their employees are infected by the virus, apparently because of concerns that they could endanger airline safety.

■ **First Saudi Arabia Cases**
Saudi Arabia reported on Thursday its first AIDS cases, saying seven of the 18 persons who had contracted the virus had died. Reuters reported from Riyadh.

Crimean Tatars Are Arrested in Soviet Protests

Agence France-Press

MOSCOW — The Soviet police detained 20 Crimean Tatars, who are seeking to return to their homeland, during a demonstration Sunday by 1,000 people in the republic of Uzbekistan and at a smaller protest in Moscow.

Eighteen Tatars were taken away by police after a brief demonstration inside the Kremlin. In the Uzbekistan town of Bekabad, the police detained two Tatars, according to a Tatar spokesman.

The Soviet authorities formed a commission in July to investigate the Tatars' grievances following a demonstration in Red Square.

The commission has offered the Tatars the possibility of settling legally in the Crimea, where some have returned without official permission. But Tatar representatives say the measure would only apply to a small number.

Hundreds of thousands of Crimean Tatars were deported to Siberia from the Crimea in 1944.

EBEL
The Architects of Time

-1911-
18K Gold, water resistant 30 m.

GARRARD
THE CROWN JEWELLERS
112 REGENT ST. LONDON W1A 9JL • TEL 01-734 7020

The flavour of an island in a single malt.

Isle of Jura
SINGLE MALT SCOTCH WHISKY

UNIVERSITY DEGREE
BACHELORS • MASTERS • DOCTORATE
For Work, Academic, Life Experiences.
Send detailed resume for free evaluation.
PACIFIC WESTERN UNIVERSITY
600 N. Sepulveda Blvd.,
Los Angeles, California,
90067, Dept. 23, U.S.A.

ADAMA MEA

Handwritten Arabic text at the bottom of the page.

Nicaragua Talks Set To Begin

Contras to Come, Sandinists Say

MANAGUA — The first direct peace talks inside Nicaragua will take place as scheduled Monday despite the presence of U.S. troops in Honduras, Nicaraguan officials said Sunday.

The government said the U.S.-backed Nicaraguan rebels had committed that they would attend the talks at the southern border post of Apod despite an offensive last week by Sandinist forces. Nicaraguan forces overran rebel bases on the northern Honduran border, prompting Washington to dispatch U.S. troops on Wednesday.

"This was on for 20 to 25 years more but we don't want to arm Central America into the Middle East," said Deputy Foreign Minister Victor Hugo Tinoco.

"We want a cease-fire and the integration of the contras into society," he added, referring to the rebels, who are known as contras.

U.S. officials termed the Sandinist offensive a serious threat to the contras, whose aid from the United States was stopped last month.

Nicaragua warned that the presence of U.S. troops in Honduras, raising regional tensions, could jeopardize the talks, to be held for the first time in Nicaragua.

The Sandinist government appeared to have hoped that its offensive would give military teeth to its bargaining position in the talks, in particular its insistence that the negotiations be limited to discussing technical aspects of a truce.

The Sandinists, meanwhile, were planning a rally Sunday night to show political strength on the eve of the negotiations.

Nicaragua has appointed Defense Minister Humberto Ortega Saavedra, the brother of President Daniel Ortega Saavedra, as its chief representative in the talks. He is expected to meet Adolfo Calero, a leader of the Nicaraguan Resistance, the rebel umbrella group.

In previous rounds of negotiations, the contras have demanded a wide range of political and military reforms before agreeing to lay down their arms.

U.S. aid, on which the rebels have depended heavily in several years of war, was cut off in February after Congress rejected two different aid proposals.

A regional peace agreement for ending conflicts in Central America bans outside aid for guerrilla groups.

The White House accused Ortega of taking advantage of the bid cut-off by trying to crush the rebels in the offensive last week, during which Sandinist troops were reported to have crossed into Honduras to strike at rebel camps and supply lines.

Sandinist military officials deny that the offensive, which they said pushed a large contra force over the border into Honduras, was linked to the aid cut-off.

The Defense Ministry said it had called off its offensive on Wednesday.



Troops of the U.S. 82d Airborne Division waiting at Palmerola Air Base in Honduras for helicopters to carry them to exercises.

May Summit REAGAN: Possibility Is Raised of a 2d 1988 Summit

Debated in Washington

WASHINGTON — Soviet Foreign Minister Eduard A. Shevardnadze arrived Sunday for three days of talks with Reagan administration officials.

The visit may produce a date for the next superpower summit meeting — speculation centers on late May in Moscow — and some progress toward a treaty to sharply reduce the number of U.S. and Soviet long-range nuclear weapons.

The treaty is the projected centerpiece for President Ronald Reagan's fourth meeting with the Soviet leader, Mikhail S. Gorbachev, but negotiations in Geneva have proceeded slowly.

"It's by no means in the bag," Secretary of State George P. Shultz said Sunday of the accord that would reduce by 30 percent to 50 percent the overall armories of U.S. and Soviet long-range bombers, missiles and submarines.

"It's possible, but we are not going to try to have one just for the sake of a treaty," Mr. Shultz said on television. "We'll only be willing to go forward, the president will, if it's something we regard as good."

Alexander A. Bessmertnykh, a deputy foreign minister, told the Soviet news agency Tass on Saturday that Moscow was disappointed in the slow progress of the talks at Geneva.

But, he added, "we continue to believe that it is possible to work out the treaty by the time President Reagan comes to Moscow and to have it signed by the summit meeting."

Despite Mr. Bessmertnykh's optimistic tone, he also said that Moscow was disappointed at the stand taken by U.S. negotiators on the 1972 Anti-Ballistic Missile Treaty.

(Continued from Page 1)

Two leaders reportedly reached a private understanding on how to skirt their differences on SDI.

While "hopeful" that a START accord could be ready soon, Mr. Reagan said that "a time limitation" was emerging because, he said, "the START treaty is turning out to be much more complicated than the INF Treaty" that was signed in December and will scrap both superpowers' missiles with ranges of between 3,000 and 300 miles.

A senior White House aide said that because the INF Treaty will physically eliminate a category of missiles, it posed simple problems in verification compared to START, which involves mobile missiles and sea-based missiles that probably will not be entirely banned. The aide added, "INF was like building the little house on the prairie, and START is like building the Empire State Building."

Mr. Reagan confined his comments about disarmament to the talks on cutting intercontinental missiles, even when he brought up NATO, where arms control was much on Western leaders' minds at their summit meeting in Brussels last month.

Mr. Reagan apparently sees little prospect of significant progress in other arms control talks during the rest of his term, according to remarks by the senior White House aide, who spoke on condition that he not be named.

"We want to pursue talks steadily," the aide said, "and we certainly ought to try making a start on conventional forces in Europe this year. But chemical weapons, there our intelligence reports say that verification is just impossible. And no NATO commander who is just losing the INF missiles wants to lose any more cover, so there's no way to discuss short-range nuclear weapons."

Some Europeans have repeatedly voiced doubts about Mr. Reagan's interest in arms control, but Mr. Reagan complained, with a wry expression, that he often failed to get credit for originating successful disarmament proposals.

Asked about recent West German opinion polls that showed him as less trusted than Mr. Gorbachev, Mr. Reagan blamed Soviet propaganda, which he said "has tried to portray us as a war-maker." Western Europe has been the target of a Soviet "disinformation network for many, many years — long before him."

Mr. Gorbachev has won popularity, Mr. Reagan acknowledged, because "he's been outspoken now in his desire for reduced armaments."

Mr. Reagan said that Mr. Gorbachev apparently had abandoned the goal of a communist world. "I have to say that he, unlike previous leaders, has never made that statement, as all of the others did, in a pledge to the Communist Congress, that this was their goal."

Asked whether U.S. allies in Europe tended to overestimate their ability to moderate Soviet behavior by aiding Mr. Gorbachev, Mr. Reagan said that the United States had adopted "the right approach" by emphasizing military and economic strength in parallel to negotiating agreements.

Faced with this pressure, he said, Mr. Gorbachev saw "an advantage to his own country" in agreeing to arms cuts.

But Mr. Reagan sounded favorable, for example, to expanded U.S. trade with the Soviet Union, stipulating simply that high technology should be restricted as long as the Soviet Union uses it for military purposes.

On Afghanistan, Mr. Reagan adopted a new policy formulation on U.S. military aid to anti-government forces: The United States will not leave the mujahidin worse off militarily than the troops of the Kabul government.

Reagan Warns of 'Bloc' On the Doorstep of U.S.

WASHINGTON — A series of domino-style Communist takeovers in Central America would confront the United States with a hostile bloc on its doorstep resembling Western Europe's confrontation with Soviet-controlled Eastern Europe, President Ronald Reagan suggested in an interview Friday with the International Herald Tribune.

"This is their goal," he said, citing a perhaps-apocryphal Lenin prophecy to prove it. Lenin, Mr. Reagan said, predicted "that the final battles would come in Latin America and then, as he put it, once they had seized that, they wouldn't have to take the United States. It would fall into their outstretched hands like overripe fruit."

Several administration officials said that they suspected the Lenin quotation was apocryphal, but that Mr. Reagan often used it privately to underscore his own strong convictions.

Asked if an anti-U.S. threat might conceivably develop in Central America to an extent that would require U.S. forces to be redirected there from Western Europe, Mr. Reagan said: "Well, yes, there are situations in which this could happen."

The issue of Central America, and particularly that of Nicaragua's ruling Sandinists, provoked Mr. Reagan to depart from the equanimity he displayed during most of the interview. He accused the press and the U.S. Congress of ignoring the administration's evidence about the seriousness of the threat south of the U.S. border.

Asked whether he thought that Mr. Gorbachev had abandoned any ambition of establishing Soviet hegemony over Central America, Mr. Reagan said: "What he may believe, I don't know." But he repeatedly left open the possibility that Mr. Gorbachev might repudiate what Mr. Reagan described as a long-term Soviet strategy of establishing bases in Central America, with help from Cuba, Libya and Nicaragua.

No comparable ambivalence could be detected in his attitude toward the Sandinists. "It's been plain to us from the beginning, and even from beyond the beginning, that the Sandinistas are not going to give up their totalitarian rule in any kind of agreement," Mr. Reagan said.

In ordering U.S. troops to Honduras, he said, he wanted "to show that we are staying with agreements that we've made about support for

our neighbors and friends down there." He added that "it also shows what we have been trying to tell some in our own Congress about this situation."

"You have to remember that the Sandinistas have publicly and repeatedly stated that this revolution of theirs is not going to stop at their border, that they're going to spread revolution," Mr. Reagan said.

— JOSEPH FITCHETT

Philips Pocket Memo - Your Electronic Notebook

You speak 7x faster than you write. So record all your notes, ideas and correspondence on a Philips Pocket Memo. It's instant and you can use it anywhere. Philips Pocket Memo - your electronic notebook.

Philips - The Dictation Specialist

For information call your office equipment dealer or send this coupon

Name _____ Phone _____ BHT 5
Company _____ Address _____

PHILIPS DICTATION SYSTEMS Triester Strasse 64, A-1101 Vienna, Austria

THERE'S ONLY ONE GIN FOR THE WELL-INFORMED.

INTERNATIONAL STOCK MARKETS
ACQUISITION OF STOCKS AND BONDS
FOR INDIVIDUALS AND INSTITUTIONS

AMERICAN TOPICS

'Au Pairs' No Longer Rate Cultural Visas

Two years ago, to relieve the chronic shortage of nurses, the U.S. Information Agency stretched its definition of cultural exchange by authorizing visas for young women known as *au pairs*, meaning they live "on a par," or as social equals, with the host families.

Under the USIA program, more than 2,000 European *au pairs* have entered the country in the last year, according to U.S. News & World Report magazine.

The *au pairs* get room and board, \$100 a week in spending money and the opportunity to immerse themselves in the English language and the American way of life.

Everybody was happy — until the USIA got a new acting general counsel, Normand Pointier, and the Labor Department got a new secretary, Ann Dore McLaughlin. "We made a mistake," Mr. Pointier said. Mrs. McLaughlin said 45 hours a week of baby-sitting "turns *au pairs* into temporary foreign workers." The program was canceled.

Several members of Congress have urged that the program be restored. Only, says the USIA, if Congress passes a law.

Short Takes

The fast-food boom is slowing down, while becoming so overcrowded that McDonald's is the only big company still increasing sales. The New York Times reports, McDonald's now sells more than a quarter of all fast food. The 130,000 fast-food outlets in the United States sold \$53.7 billion worth of hamburgers, pizzas, fried chicken and other quick snacks and sales last year. Although the figure is expected to climb to more than \$60 billion this year, double-digit annual increases are a thing of the past. "There are just too many restaurants chasing too few consumers," says Joseph J. Doyle, an analyst with Smith Barney, the Wall Street investment house.

A national debate is growing over what to do with valuable real estate being sold by railroads because they no longer need it for tracks. The 300,000 miles of track owned by U.S. railroads have been halved in recent decades. Some of the unused right-of-way is used for public trails, but much of it is being sold to developers. More than 130 million acres of public land was given to railroads as construction incentives from 1850 to 1870, and trail enthusiasts say the railroads owe the public something in return. The railroads say they have long since repaid the country for the land grants, in the form of subsidized mail and military travel, and the development of the West that the land grants made possible. Frank Wilner, spokes-

man for the Association of American Railroads, says, "Our response is that we are not a philanthropic organization."

Laws enacted in 30 states to prohibit convicted criminals from profiting from their crimes in books, plays and films are unnecessary and short-sighted, since the victim, or heirs, can sue for "whatever assets the offender may have now or in the future." So says Ralph Slovack, a professor of law and psychiatry at Wayne State University in Detroit, in a letter to The New York Times.

San Jose, California, which boomed in the 1960s with the building of aerospace and electronics plants, now has a population of 715,000, rivaling the 740,000 of San Francisco, the faded and historic city 50 miles (80 kilometers) to the north. Now San Jose is trying to narrow the image gap as well by sinking a billion dollars into skyscrapers and a trolley system. "It's not that San Jose has a bad image," says Steven Saeli, chairman of the convention and visitors' bureau. "It's that it doesn't have any image."

Notes About People

The former Democratic governor of Virginia, Charles S. Robb, knocked himself out when he walked into a closed glass door in his Washington office. Mr. Robb said he "blacked out for a few moments" but did not require medical attention. The door normally is kept open.

The former Democratic gov-



Charles S. Robb

nor of Texas, John B. Connolly, who later became a Republican, is appearing in advertisements for a Houston savings association while he goes through bankruptcy proceedings. The \$2.7 million he recently raised in a garage sale of his personal property went toward paying off his \$93 million in debts. In the ad, headed "John Connolly on the importance of saving," Mr. Connolly says, "Mie and I worked hard all our lives to make sure our future would be financially secure. Well, the future is here, and things haven't quite worked out like we'd planned. But that's all right because there's no better place than Texas to start over and to save a little something. Because you never know what the future might bring."

Arthur Higbee

BE A WINNER!

• Play Lotto 6/49—Canada's Favorite Government Lottery
• Pick your own "Lucky Numbers" when you play
• Record prize of \$13,890,588.80—all CASH—TAX FREE!*

NOW YOU CAN WIN BIG

For years Canadians have been striking it rich in Lotto 6/49—Canada's most popular lottery. In fact, last year Lotto 6/49 paid out over \$500 million dollars in prizes! Almost every week new millionaires are being made by playing this fantastic game. The jackpots (1st prize) regularly surpass \$10,000,000 per draw and have gone as high as \$13,890,588. That record prize was won by Lillian and Stewart Kelly, pictured below, and still stands as one of the world's largest all-cash lottery prizes ever awarded.

Now, thanks to Canadian Overseas Marketing's unique subscription service, you too have the chance in win a multi-million dollar prize.

MULTI-MILLION DOLLAR PRIZES

Here are some examples of the fantastic jackpots being awarded by Lotto 6/49:

Lillian and Stewart Kelly	\$13,890,588.80
Mohamed and Nurah Sanji	\$11,066,864.20
Ron and Val Taylor	\$10,372,326.70
Jon Vau	\$10,191,804.60
Carrie and Derek Stockley	\$ 7,789,787.60
Doug and Lorraine Clark	\$ 7,059,893.70

And that's just for first prize... there are many \$Millions more paid out in subsidiary prizes. With five prize categories in all and thousands of prizes won in every draw, it's as if you can't miss!

GOVERNMENT GUARANTEED LOTTERY

Lotto 6/49 is an official lottery operated by the ten Provincial Governments of Canada. It's called Lotto 6/49 because six winning numbers from a total of forty-nine are selected each draw. If the six numbers chosen match the six numbers you are playing, you win the jackpot. In addition to the six regular winning numbers chosen, there's one additional number drawn called

WIN MILLIONS LIKE THE COUPLE PICTURED BELOW

PRIZES	NO. OF PRIZES	PRIZE VALUE
1ST PRIZE (SIX OF 6 REG. NUMBERS)	1	\$13,890,588.80
2ND PRIZE (FIVE OF 6 REG. NUMBERS)	10	\$448,491.80
3RD PRIZE (FOUR OF 6 REG. NUMBERS)	76	\$3,704.70
4TH PRIZE (THREE OF 6 REG. NUMBERS)	4897	\$188.30
5TH PRIZE (TWO OF 6 REG. NUMBERS)	265,112	\$100.00
TOTAL PRIZES	1,044,256	TOTAL PRIZE VALUE \$24,443,228.10

*All prizes quoted in Canadian dollars. 1st, 2nd, 3rd, 4th and 5th prizes are calculated on a percentage of the total prize pool. Since the prize pool fluctuates from draw to draw, the size of the prizes will vary from the size of the prizes shown above.

Canadian Overseas Marketing
P.O. Box 48120, Suite 1703,
699 Burrard Street, Vancouver,
B.C., Canada V7X 1S4

(Canadian Overseas Marketing is a wholly owned subsidiary of the company quoted herein including handling and service charges.)

WHEN YOU WIN

You will be notified immediately when you win a prize of \$1,000.00 or more. Also, a complete list of all winning numbers will be sent to you after every tenth draw, along with a statement of your winnings to date. At the expiration of your subscription you will be sent a final statement of your winnings. All prize money will be converted to any currency you wish and confidentially forwarded to you anywhere in the world.

So mail your order today—the next big winner could be you.

ORDER FORM

Complete one game board below for each game you wish to play. Select exactly six numbers from 1 to 49 on each game board you are playing. Indicate the number of draws you wish to play and send with the necessary payment to the address below.

FREE BONUS ▶	INCLUDES 2 DRAWS FREE	INCLUDES 4 DRAWS FREE
1 Game	<input type="checkbox"/> \$ 45, <input type="checkbox"/> \$112, <input type="checkbox"/> \$ 225.	
2 Games	<input type="checkbox"/> \$ 90, <input type="checkbox"/> \$225, <input type="checkbox"/> \$ 450.	
3 Games	<input type="checkbox"/> \$135, <input type="checkbox"/> \$337, <input type="checkbox"/> \$ 675.	
4 Games	<input type="checkbox"/> \$180, <input type="checkbox"/> \$450, <input type="checkbox"/> \$ 900.	
5 Games	<input type="checkbox"/> \$225, <input type="checkbox"/> \$562, <input type="checkbox"/> \$1125.	
6 Games	<input type="checkbox"/> \$270, <input type="checkbox"/> \$675, <input type="checkbox"/> \$1350.	

Make cheque or bank draft (in U.S. Funds) payable to Canadian Overseas Marketing and mail to: P.O. Box 48120, Suite 1703, 699 Burrard Street, Vancouver, B.C., Canada V7X 1S4.

NAME _____
ADDRESS/PO. BOX _____
CITY _____
COUNTRY _____
 MASTERCARD VISA AMEX
 BANK DRAFT CHEQUE

CREDIT CARD: EXPIRY DATE _____

(Valid only where legal. *Not available to residents of Singapore.)

SIGNATURE _____ ZP-50

RAMADA INTERNATIONAL HOTELS

RAMADA IN THE MIDDLE EAST AND SOUTH ASIA

Bahrain, Egypt, India, Kuwait, Pakistan, Saudi Arabia, Sri Lanka, United Arab Emirates.

For reservations worldwide call your local Ramada reservations number or contact your travel agent.

Cuomo Vows to Decide On Endorsement Soon

By Paul Taylor
Washington Post Service
WASHINGTON — Governor Mario M. Cuomo of New York, irritated by speculation that his failure to endorse a Democratic presidential candidate means he is holding out in hopes he will be drafted at the party convention, says he will decide soon on whether to make an endorsement.

In two telephone interviews Friday — both initiated by the governor — Mr. Cuomo said he wanted to "be of maximum influence in finding the right candidate and doing it as swiftly as possible."

"I need to dispose of my role," he said, "and get it out of the way. What I don't like is all this speculation about what I am going to do. It's a distraction."

Mr. Cuomo said again that "the Democratic nominee will come from the field. Period."

On the possibility of a deadlock at the Democratic National Convention this summer, he said, "I will be there to say No to Bradley, No to Nunn, No to Cuomo." He was referring to Senators Bill Bradley of New Jersey and Sam Nunn of Georgia, both of whom have been mentioned as possible alternatives to the current Democratic field.

Mr. Cuomo added, "I am concerned that we get into a situation where we have to broker at the convention or just prior to the convention. That is undesirable."

Mr. Cuomo acknowledged that if he were to endorse and promote a candidate before the April 19 New York Democratic primary, he might be able to help create a Democratic coalition.

But Mr. Cuomo said that he had to weigh these considerations against several others. He is favor-

ably disposed toward all the candidates, he said, and no one has broken cleanly from the pack. It might be better for him, he said, to stay neutral now and help the Democratic National Committee chairman, Paul G. Kirk Jr., try to create a consensus around the candidate who has won the most convention delegates after the June 7 primaries in New Jersey and California.

Still, what Mr. Cuomo stressed was his need to douse the "Cuomo draft" speculation. It kicked up again last week, he noted, after an article based on an interview with him appeared in The Wall Street Journal and an appearance on ABC left the impression that he had decided to wait until June to endorse.

He said it was not his intention to send such a signal, although he did not rule out a late endorsement.

Mr. Cuomo declined to speculate about whom he might endorse. He said he would talk with all five remaining candidates — either face-to-face or on the telephone — this week.

But Mr. Cuomo's complicated state of mind on the whole subject may be best reflected by a follow-up telephone call. He said he had forgotten to mention earlier that he was concerned about the publication early next month of an unauthorized biography of him, by Robert McElvaine, that he said had advanced sales of 45,000 copies. He said he understood that the book was very flattering but was written from the premise that he had an "obligation" to be president.

This, Mr. Cuomo insisted, was a ridiculous premise and one, he lamented, that would only feed speculation that he still wanted to be drafted.

BUSH: Facing a Paradox

(Continued from Page 1)
that neither he nor anyone in his office is the subject of a federal grand jury investigation and that he has answered all the questions about his role except for the advice he has given the president on the policy initiative.

Aides to Mr. Bush concede that the campaign poses a new test for their candidate.

"The vice president is not going to get apathetic about this thing and we're not going to get complacent," said Lee Atwater, his campaign manager.

"The second you start getting overconfident and apathetic and complacent," he said, "you start to get in trouble in politics. You start losing and that's not the game plan."

Peter Teeley, Mr. Bush's chief spokesman, said, "We recognize the fall campaign is going to be a tough fight and the only way to get ready for it is to stay sharp. He's not going to let any moss grow."

Mr. Bush now has from 774 to 821 delegates, by different estimates, and could reach the 1,139 needed for nomination over the next six weeks. His campaign gauges that he may go over the top with the May 3 primary in Ohio, where 88 delegates are at stake.

PANAMA: Shultz Offers U.S. Aid

(Continued from Page 1)
sorts of ways and I think that they're going to succeed, and we'll help them."

Mr. Shultz was asked what kind of government would succeed General Noriega.

"In the first place," he said, "there is a properly recognized civilian president," Eric Arturo Delvalle, whom General Noriega dismissed.

"Second, the civilian crusade and opposition party members have kind of rallied together to support a transition. The Civic Crusade is an opposition alliance."

"And third, there are many credible and worthwhile people in the Panamanian defense forces. They have an honorable continuing role to play in Panama and leadership certainly will be found without a doubt in that case."

General Noriega still has a chance "to make a semi-graceful exit," Mr. Shultz said.

The National Defense Forces communique Saturday followed talks between the general and two State Department emissaries: William G. Walker, deputy assistant secretary for Central America, and Michael G. Kozak, the department's deputy legal advisor.

"The plans presented were listened to and rejected as unfounded, unacceptable and anti-Panamanian," it said, adding that General

DEMOCRATS: The Muddle

(Continued from Page 1)
the same. Michigan calls its event a caucus, but it is more like an abbreviated party-run primary: voters in more than 500 locations in a six-hour period simply vote.

Mr. Gephardt not only faces a large gap between him and the front-runners but within days of the Michigan balloting he must make an important personal decision because of the deadline for filing for House races in Missouri. He must decide whether to give up his House seat and his place on the Ways and Means Committee as a signal of his seriousness about the race, or to announce his intention to seek his House seat again while still seeking the nomination.

For Mr. Gore and Mr. Simon, the Michigan outcome is likely to raise new questions about their candidacies. Mr. Gore, following last week's fourth-place showing in the Illinois primary, apparently faces the likelihood of another poor showing in another northern, industrial state, increasing the evidence that his appeal is limited to the South.

Mr. Simon has all but abandoned Michigan. His campaign is falling back on Wisconsin's April 5 primary and the hope, according to Elliott Jacobson, his Michigan campaign director, that he will be a

factor at a "contested convention" in Atlanta in July.
Because Mr. Jackson's strength is concentrated in Detroit's two predominantly black congressional districts, Mr. Dukakis stands the best chance of winning the bulk of Michigan's delegates, even if he loses the popular vote to the civil rights leader.
But a Dukakis loss to Mr. Jackson — following his third-place finish in Illinois — could also tarnish the governor's claim to have national appeal. Mr. Dukakis was able to write off the Illinois results as a good showing against two of the state's favorite sons, but there are no favorite sons in Michigan.
"Illinois was unique and can almost be discounted," said Alice Travis, Mr. Dukakis' national political coordinator. "Michigan can't be discounted, and we have to do well here."

U.S. Called 'Arrogant'

(Continued from Page 1)
Noriega and his staff "reiterate their permanent readiness to hold necessary conversations that tend to resolve all Panamanian problems without conditions and that take account of national interests."

An official Panamanian publication has branded U.S.-backed efforts to overthrow General Noriega as "arrogant," Reuters reported Sunday from Panama City.

The official weekly Republica said, "The arrogant blonds of the north are demanding the replacement of Noriega," adding: "The U.S. Department of State must understand that Panamanians only accept a Panamanian solution to our problems."

Also Sunday, a statement by the office of Manuel Solis Palma, who replaced Mr. Delvalle, denied that Panama planned to issue paper money to end the cash crisis caused when Washington froze Panamanian assets in the United States and forced banks in Panama to close. The banks were authorized Friday to resume limited operations.

Although troops loyal to General Noriega managed to put down a coup attempt Wednesday, the military leader faces increasing pressure with the economic crisis still unresolved, a general strike called for Monday and reports of declining support in the military.

Last year, when a senior Indonesian Foreign Ministry official was asked about Singapore's secret trade with Vietnam, the official replied: "Well, you know the Singaporeans are Chinese, and the Chinese are very clever." In Malaysia, where ethnic Chinese and Malays coexist in a precarious racial balance, the constitution preserves special rights and status for indigenous Malays. The Malay-dominated government has enacted a series of social and economic measures that discriminate against Chinese, restricting their admission to the nation's universities and to the civil service, while trying to limit Chinese participation in business.

Government economic activity, particularly in banking, has given indigenous Malays greater control over the economy as a whole, but the private economy is still almost exclusively Chinese. According to government statistics, ethnic Chinese held 56 percent of corporate equity in 1985, with foreigners holding another 26 percent.

Lately racial tensions have flared in Vietnam, the official has said, while trying to limit Chinese participation in business.

Government economic activity, particularly in banking, has given indigenous Malays greater control over the economy as a whole, but the private economy is still almost exclusively Chinese. According to government statistics, ethnic Chinese held 56 percent of corporate equity in 1985, with foreigners holding another 26 percent.

Lately racial tensions have flared in Vietnam, the official has said, while trying to limit Chinese participation in business.

U.S. Solicited Noriega Offer, Gonzalez Says

(Continued from Page 1)
MADRID — Spain's offer of political asylum to General Manuel Noriega of Panama was made at the request of the U.S. government, according to Prime Minister Felipe Gonzalez.

Mr. Gonzalez said the matter came up when a Spanish delegation, after a fact-finding trip to Central America, visited Washington at the invitation of Reagan administration officials. Among the officials the group met with, he said, was Elliott Abrams, assistant secretary of state for inter-American affairs.

Spain imposed conditions on the offer, among them that General Noriega ask for asylum and that the United States agree not to seek his extradition from Spain. General Noriega is under indictment in the United States on drug trafficking and racketeering charges.

Mr. Gonzalez, who is scheduled to visit Costa Rica this week, said in an interview Thursday that the offer would remain open.

"Spain is well aware that it has to take on certain responsibilities," he said, "and that was one we were prepared to accept." Asked whether the offer was an effort to improve relations after Spain's refusal to allow a U.S. Air Force fighter wing to remain based near Madrid, Mr. Gonzalez said there was no pressure.

ASIA: Satisfaction With Japan

(Continued from Page 1)
with that nation at times for what they have called economic selfishness or for selling U.S. high technology for military use in the Soviet Union.

The president believes that, working through his personal ties with Yasuhiro Nakasone, the former Japanese prime minister, he helped convince Japan that it should adjust its trade imbalance with the United States, aides said.

In a sole qualifying note on trade, Mr. Reagan mentioned the need to maintain U.S. "limits on high technology" for export to the

1960 Massacre To Be Marked

(Continued from Page 1)
JOHANNESBURG — The residents of Sharpeville, where 69 black protesters were killed by policemen in 1960, will mark the 28th anniversary of the massacre on Monday.

The Sharpeville killings on March 21, 1960, brought expressions of shock from around the world and intensified anti-apartheid sentiment. The massacre took place when the police opened fire on thousands of residents protesting discrimination.

The police said they were reinforcing patrols this week in black townships to thwart plans for a nationwide strike. Actions advocated by opponents of the government in connection with the anniversary may not be reported because of censorship under a national state of emergency in force since June 1986.

CHINESE: In Asia, a Wealthy and Powerful Elite Is Often Distrusted

(Continued from Page 1)
against government restrictions on Chinese education.

In Thailand, the ethnic Chinese generally have been well integrated into society, but the process of assimilation often was forced by extreme nationalist policies, like the closure of Chinese schools after World War II. According to a recent survey of the ethnic Chinese in Thailand, which appeared in the Far Eastern Economic Review, the elite military academy still requires that cadets have "Thai ethnicity."

In the Philippines, integration has come more naturally, partly because of the historical intermingling between Chinese and the Spanish-blooded mestizo, or mixed-blood, elite. President Corason C. Aquino and the archbishop of Manila, Cardinal Jaime Sin, are among the prominent Filipinos of Chinese descent.

But even in the Philippines there are anti-Chinese undercurrents. During a small demonstration in Angeles City last May, leaflets blamed Chinese merchants for increases in the price of lumber, cement and basic foods. In January, during local elections, an anonymous leaflet declared, "The Philippines is ours — do not give it to the Chinese!" and urged Filipinos to vote against 12 Chinese-surnamed candidates listed.

According to U.S. census and State Department figures, ethnic Chinese make up 1.5 percent of the population in the Philippines, 2 to 3 percent of the Indonesian population, about 14 percent of the population in Thailand and 32 percent of the population in Malaysia. Singapore, with a population of 2.6 million, is 76 percent Chinese. Officials there say privately that they feel vulnerable to anti-Chinese sentiment from the larger countries, predominantly Muslim and ethnic Malay, that surround them. As a result of those fears, Singapore has the region's best-equipped armed forces.

Despite the restrictions and continuing racism in the region, the overseas Chinese have continued to prosper, leading the economic development boom in much of Southeast Asia. They make up the sector in the Philippines that is showing economic dynamism and providing new investment that could spark an economic turnaround.

"One thing the ASEAN countries can exploit is the marketing network of the overseas Chinese," said Teresita Ang See, the Filipino-Chinese professor of Chinese studies, in a reference to the Association of South East Asian Nations.

With Malaysia trying to sustain its growth during a worldwide economic slowdown, pressure is mounting for the government to scrap its pro-Malay affirmative ac-

tion program, which is seen by many economists as inhibiting growth. But the ethnic Malay element is unlikely to do so, since unless the private sector would almost certainly mean a return to economic dominance of ethnic Chinese.

"If you want this economy to grow, you have to free people work hard and use their brains," said one economist in Kuala Lumpur, the Malaysian capital. "But we are not in a position to half the brainpower of this country — the Chinese half."

The Chinese did not come to Southeast Asia from elite positions in China. Most came to the E. Asian colonies from the south and coastal provinces, many as indentured laborers.

"These were people who were not in the mainstream of Chinese civilization," Mr. Chan, the Malaysian economist, said. "They were not of the Mandarin class, the elite class. They were on the periphery."

As immigrants historically done, the overseas Chinese lived and made money through hard work and thrift. They were largely concentrated in the trading professions as a result of colonial policies that sought to keep indigenous populations on agricultural estates. After the Southeast Asian countries won independence, laws of forcedly nationalistic new governments prohibited these "non-zens" from entering professional medicine and law.

With ethnic tension haun Malaysia and the Communist government in Beijing pointed to the over the British colony of Hong Kong in 1997, some signs of a migration have emerged. Ethnic Chinese are filling more visa applications and making more investments in Western countries, increasingly, they send their child to study in U.S., Australian or Canadian universities, and many those students stay in those countries.

"The first generation came but not the second generation do even better," said Teresita Ang See. "They send back foreign change, technology and expert. The first generation had a tie to China, so when they made money they sent it back to China. The second generation will send it here, to Southeast Asia."

"It's a positive development for the region."

WORLDWIDE ENTERTAINMENT

LIDO

"The most successful show in town"

New York Times

8 p.m. dinner dance, champagne and show F 510.
10:15 p.m. and 0:30 a.m., champagne and show F 350.
Service included.
116 bis, Champs-Elysees, Paris.
Tel.: (1) 45 63.11.61 and agencies.

INTERNATIONAL DUTY & TAX FREE SEMINAR

International Duty and Tax Free Seminar

LONDON, APRIL 15, 1988

Co-sponsored by the
INTERNATIONAL HERALD TRIBUNE AND PETER R. WENBAN & ASSOCIATES

This major seminar will bring delegates up-to-the-minute information from a global perspective on the duty and tax free markets worldwide. The program is designed primarily for marketing executives and planners in companies and agencies currently involved in the duty free industry and also for marketing and management executives wishing to enter the duty and tax free markets. Senior executives wishing to attend the seminar should complete and return the registration form today.

THE PROGRAM

9:00 CHAIRMAN'S OPENING REMARKS
9:05 KEYNOTE SPEECH — DUTY FREE: THE GLOBAL MARKET
Edward F. McDonnell, President, Seagram International, New York
9:45 THE MARKET AND ITS SHOPPERS
Maggie Green, Duty Free Worldwide Director, Gallaher International, London
10:15 COFFEE
10:45 PRODUCTS AND PRESENTATION
Jacques Greep, Commercial Director, Parfums Christian Dior, Paris
11:10 REACHING THE CUSTOMER — THE MEDIA OF DUTY FREE
Patricia Dinnick, Group Media Coordinator, Guinness plc, London
11:35 MARKET RESEARCH AND DATA SOURCES
Peter R. Wenban, Peter R. Wenban & Associates
Peter Rusby, Managing Director, European Data & Research Ltd.

12:00 PANEL DISCUSSION
12:30 LUNCH
14:00 1988 — THE EUROPEAN FUTURE OF DUTY FREE
Lord Rees, Chairman, The Duty Free Confederation.
14:45 SELLING IN DUTY FREE
THE FRANCHISE
Martin Dully, Chief Executive, Aer Flanta, Dublin.
15:10 THE FRANCHISE
Günter Brendel, Director, Weinauer Group, Basel.
15:35 THE SHOP MANAGER
Colin McLoughlin, General Manager, Dubai Duty Free, Dubai
16:00 PANEL DISCUSSION
16:30 DUTY FREE: THE MARKET CHALLENGE
James Eppay, Deputy Managing Director, United Distillers Group, London.

REGISTRATION INFORMATION:
The fee is £195 (plus VAT at 15% = £225, total £224.25) or the equivalent in a convertible currency for each participant. This includes lunch, morning coffee and post-seminar documentation. Fees are payable in advance of the seminar and will be returned (less £25 administration charge) for any cancellation (initial is postmarked on or before March 31st, 1988. Cancellations with a postmark dated later than March 31st, 1988, will be charged the full fee. Substitutions may be made at any time. The sponsors reserve the right to amend the program if necessary.

SEMINAR REGISTRATION FORM: Please return to: International Herald Tribune, Conference Office, 63 Long Acre, London WC2E 9JH, Tel.: (44-1) 379-4302, Tlx. 262009, Fax: 240 2264

Please enclose the following participant for the Seminar on April 15th, 1988.

Check enclosed Please invoice

SURNAME _____
FIRST NAME _____
POSITION _____
COMPANY _____
ADDRESS _____
CITY/COUNTRY _____
TELEPHONE _____ TELEFAX _____
COMPANY ACTIVITY _____

21-3-88

INTERNATIONAL CLASSIFIED

(Continued from Back Page)

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
Head office in N.Y. City
330 W. 5th St., N.Y.C. 10019 USA
212-765-7896
212-765-7754
MAJOR CREDIT CARDS AND CHECKS ACCEPTED

PARLIAMENT ESCORT SERVICE
New York
212-307-7271
212-307-7272
212-307-7273
212-307-7274
212-307-7275
Major credit cards accepted

LONDON KENSINGTON ESCORT SERVICE
10 KENSINGTON CHURCH ST., W8
Tel: 937 9136 OR 937 9133
All major credit cards accepted

LONDON Portman Escort Agency
67 Chiltern Street, London W1
Tel: 484 3724 or 484 1156
All major credit cards accepted

ARISTOCATS
London
3 Shoukhan Street, London W1
All major credit cards accepted
Tel: 01 263 0900 (2 lines)
12 noon - midnight

ESCORTS & GUIDES

LONDON BELGRAVIA
Escort Service
Tel: 736 5877

MAYFAIR CLUB
ESCORT SERVICE from 8pm
ROTTENHALL (0) 10-254185
THE HAGUE (0) 70-60 79 96

CAPRICE-NY
ESCORT SERVICE IN NEW YORK
Tel: 212-737 3291

CHESA ESCORT SERVICE
51 Beethoven Place, London SW2
Tel: 01 584 6513/2749 (4 lines)
All major credit cards accepted

GENEVA ESCORT SERVICE
Tel: 46 11 58

ZURICH SUSAN
ESCORT SERVICE 01/44 24 73

ESCORTS & GUIDES

REGENCY
NY & LONDON ESCORT SERVICE
215-638-8027

GENEVA * LOVELY *
ESCORT SERVICE 022/21 99 61

****ZURICH****
Top Escort Service Tel: 01/41 76 09

BOHEM CLUB EUROPE ESCORTS & GUIDES
Tel: 06/599 2604 or 587 1146 (from 4pm to 9:30 pm)

MADRID IMPACT ESCORTS and Guide Service
Madrid - Tel: 91-541 1142
11am - midnight, Tel: 261 4142

COPENHAGEN - STOCKHOLM
Scaandnavian Escort Service, Male / female, Tel: 451-54 17 06 or 54 60 16.

TOKYO EXCLUSIVE ESCORT SERVICE
Cards accepted, telephone Tokyo 03 798 4300.

Milan VIP Escort Agency 2-461125

AMSTERDAM APOLLO ESCORT SERVICE
First Class VIP Escort Service, Cards accepted, telephone Tokyo 03 798 4300.

LONDON HAPPY DAYS ESCORT SERVICE
Tel: 01 725 0992

VIRGINIA ESCORT SERVICE
Tel: 01 275 0992

******* SHADOWS *******
Escort Service Tel: Mod: 91/262636

ESCORTS & GUIDES

AMSTERDAM * YENTL
and Guide Service, Tel: 020-663 0700
major credit cards accepted

******* 0667 49 74 03 *******
NEW LADY ESCORT, Travel & Guide Service, Tel: 01 723 4664

NEW YORK - LADY CHINAM
Escort Service 212-996-2257
Cards Accepted, Bilingual

AMSTERDAM JASMIN AND JOY
Escort Service, Tel: 020-663 0700
Tel: 020-663 0700
Cards accepted, Bilingual

CLARISSA'S ESCORT SERVICE
Tel: 0211/49 32 66 from 10 to 10
Weekends, Spanish spoken

DUESSELDORF-Kirchhof
Escort Service, Tel: 0211/33 21
Cards accepted

DUESSELDORF - KOEHN - EISEN
Escort Service, Tel: 0211/34 03 84
Cards accepted

******* MUNICH *******
91 23 14
ESCORT AND GUIDE AGENCY, Tel: 089-89115

******* SELECTA ESCORT SERVICE *******
London, Central and Heathrow, Tel: 01-266-2716

******* GOLDFINE + AURA *******
Escort Service, Tel: 0211 39 89
Tel: 0211 39 89

LONDON BRAZILIAN ESCORT SERVICE
Open seven days a week, Tel: 01-266-2716

******* DUESSELDORF - DOMAGALA *******
Escort Service, Tel: 0211 39 89
Tel: 0211 39 89

******* GENEVA PRIST *******
Tel: 22/21 03 40

******* DUESSELDORF - DOMAGALA *******
Escort Service, Tel: 0211 39 89
Tel: 0211 39 89

******* GENEVA DANY ESCORT *******
Tel: 0211 39 89

ZURICH MARIAN'S ESCORT SERVICE
Tel: 01-266-2716

IES BON VIVANTS
Escort Service, Tel: 01-266-2716

JAPANESE

Iran Says Iraq Used Nerve Gas

5,000 Kurds Die, Tehran Tells UN

NICOSIA—Iran said it fired 13 missiles into Baghdad and Basra on Sunday and asserted that 5,000 Kurds were killed in Iraqi poison-gas attacks on towns that Tehran said it had captured in a new offensive.

The official Iranian news agency IRNA, monitored in Nicosia, said the Iraqis had used cyanide, mustard and nerve gases in the attacks on the towns in northeastern Iraq "to prevent the people from joining Iranian combatants."

The agency quoted Foreign Minister Ali Akbar Velayati of Iran as telling UN Secretary-General Javier Pérez de Cuellar that in addition to the 5,000 people killed, 4,000 Kurdish civilians had been injured in the attacks.

Mr. Velayati said that 70 percent of the Kurdish casualties were women and children. There was no independent confirmation available on the Iranian allegations.

The United Nations has reported that Iraq has used chemical weapons in combat on many occasions since 1984. Baghdad has denied this. Iran has said that if Iraq continued to use the weapons, it also would start using them.

IRNA said that Mr. Velayati had criticized the United Nations for failing to take "effective steps" to halt Iraqi use of poison gases.

Iran said that nearly 1,000 of the Kurdish casualties had been airlifted to hospitals in Iran. It appealed to the International Red Cross and other humanitarian agencies for medical aid.

The Iranians said they captured the towns of Halabja, Kholm and Dajila in Sulaimaniya Province on Thursday, during a weeklong offensive in the northeastern mountains. Many of the Kurds in the region have been in rebellion against the Baghdad government for years.

Meanwhile, shipping sources in the Gulf reported Sunday that Iranian gunboats had attacked the 84,631-ton Liberian-flag tanker Atlantic Peace with rocket-propelled grenades. The sources said there were no casualties.

It was the fourth Iranian attack on ships of noncombatant nations in the Gulf in three days, and it followed an Iraqi air strike Saturday on Iran's Kharg Island oil terminal, in which at least two tankers were set afire.



Three photographers, center, and two Israeli officers look over film confiscated Sunday after an Israeli soldier was shot to death.

Israeli Soldier Shot to Death; Palestinian Toll Rises to 96

By John Kifner
New York Times Service

BETHLEHEM—An Israeli soldier was shot to death as he stood guard here Sunday in what was widely seen as a serious escalation of the Palestinian protests.

The soldier was the first Israeli killed during the current wave of unrest. Ninety-six Palestinians have died of various causes, including shooting, beating and tear gas inhalation.

The soldier was shot at close range by a man with a pistol as he was at his post guarding a civil administration office, an army spokesman said.

"This is a murder," said the army chief of staff, General Dan Shomron. "It is a very grave incident."

However, General Shomron said, "I don't think from this one incident we can assume we've passed to a new stage of using firearms. I don't think we can yet see it as a shift to armed struggle."

The general said, "I assume that as long as we stop the big violent demonstrations—and this is what we are doing lately—naturally there will be more and more attempts to make use of firearms."

Prime Minister Yitzhak Shamir, in a statement from New York where he is visiting, said, "This is a dangerous escalation of the violence in Judea and Samaria, where until now they have not used firearms."

It is proof that we are engaged in a war for the security of Israel," Mr. Shamir said, "a war that has been misunderstood until now."

Michael Dekel, a deputy defense minister, said, "This is not a new chapter. After all, there already have been hostile terrorist incidents in which the PLO attacked civilians, killed Israeli civilians and Jews, and this time they attacked a soldier."

"Those who do not want us here in the land of Israel," he said, "will look for different ways to attack us."

Two more Palestinians, meanwhile, died overnight in clashes with the army as Israeli authorities continued to press a campaign of arrests, curfews on residential villages and other efforts to break the protest movement.

The Palestinian protesters had thus far refrained from using firearms in favor of rocks and Molotov cocktails for a number of practical and political reasons. It is widely believed that the restraint has been urged by Yasser Arafat, the leader of the Palestine Liberation Organization.

On a political level, the Palestinians have won sympathy unprec-

ed in the two decades of the existence of the PLO by portraying themselves not as terrorists but as unarmed protesters, willing to die confronting combat-equipped soldiers.

On a practical level, Israeli military officers say privately, the introduction of firearms on the Palestinian side is likely to result in the unleashing of massive superior army firepower. Tight Israeli security keeps the number of firearms in Arab hands here to a minimum.

But the use of guns and bombs by Palestinians inside Israel is far from unheard of. Incidents have included a grenade attack on a military ceremony at the Western Wall, a sacred Jewish site in Jerusalem's Old City.

Mr. Arafat and other Palestinian leaders outside the occupied territories have repeatedly attempted to infiltrate guerrillas into Israel.

Earlier this month, three Palestinians from Mr. Arafat's el-Fatah guerrilla organization hijacked a bus in the Egay Desert. They were slain by security forces and three Israeli passengers were also killed.

On Saturday, the Israeli Army effectively blocked foreign journalists from working in the occupied West Bank and Gaza Strip in an apparent effort to reduce coverage of more than three months of Palestinian protests.

Virtually everywhere the foreign journalists went on Saturday they were stopped by soldiers who unfolded a mimeographed order declaring the immediate area a "closed military zone" and ordered them away.

Members of four television crews and several photographers were rounded up Saturday afternoon by soldiers on the streets of Ramallah and taken to the police station.

There, they said, they were told by an army captain that if they were found in the area after being warned, they would be arrested.

Warning From Rabin
Defense Minister Yitzhak Rabin reacted to the shooting of the Israeli soldier by warning that the Israeli Army would take tougher measures if Palestinian protesters began to replace stones with firearms. Reuters reported from Jerusalem.

"There might be extreme elements in the terrorist organizations of the Palestinians that might like to add to the so-called civilian violence: elements of terrorism," he told reporters at the Western Wall.

"Let's hope that this was an exception that will not be repeated. Otherwise, tougher measures will be used to cope with both the civilian disturbances and the terrorism."

Vortex of a 'War of Populations' Engulfs Arabs and Jews

By Glenn Frankel
Washington Post Service

BIREH, Israeli-Occupied West Bank—The yellow Israeli bulldozer rumbled methodically through the back yard of Ahmed Abdul Aziz on a crisp spring morning last week. It burned his vegetable garden, then assaulted his grove of 25 almond, olive and mulberry trees, ripping each one out and shoving it aside while Mr. Aziz and his family looked on in gaping silence.

Four days earlier, someone had hidden in the grove, next to the main highway 10 miles (16 kilometers) north of Jerusalem, and thrown a gasoline bomb at a school bus filled with Jewish children. The children were unharmed.

Now the army was retaliating. The target was not the bomb thrower but the land and those who live on it.

The Palestinian uprising in the occupied West Bank and Gaza Strip has reached the age of 100 days and at the same time turned a corner. What began as a confrontation between stone-throwing teenagers and young soldiers has taken on an air of permanence, blossoming into a full-scale intercommunal struggle between Arab and Jew, "a

war of populations," in the words of Joel Greenberg, an Israeli journalist.

"You may not be interested in war, but war is interested in you," wrote Leon Trotsky. He was referring to the vortex that war inevitably creates, sucking in whole communities and individuals who have

thought of themselves as neutrals or noncombatants.

So it was with the uprising. Arab policemen who had stood on the sidelines, still working for the Israeli administration but shunning political and security cases, resigned after receiving a threatening directive from Palestinian activists. Farmers and merchants who sell produce and wares in West Bank markets were cut off and sent home by an army determined to raise the economic stakes of the challenge to Israeli rule. Families like the Azizs found themselves victims in a struggle they barely understood.

The two sides seem locked in a test of will that is at once logical and chaotic. The Palestinians appear to be aiming at crippling the system that has administered the occupation for more than 20 years,

while the Israelis seek to puncture the sense of euphoria and triumph that so far has marked the uprising for the Palestinians.

Each side appears determined to inflict the maximum pain on the other.

Each side is seeking to wear down the other. Defense Minister Yitzhak Rabin told the Israeli cabinet recently, adding, "I can assure you, the army will not be the first to tire."

But the Palestinians do not sound tired either.

"We have never felt so close, never felt this sense of identity or pride or this feeling of oneness," said Saeb Erekat, a West Bank political scientist. "What the Israelis are doing now will not bring us to surrender. Four months ago we were ignored by everyone, and now we have moved the world."

"We didn't plan or anticipate this uprising. But now people really feel that if we stop and look back, we'll be lost like Lot's wife. The only alternative is to go forward."

Mr. Erekat's family home is in Jericho, a sleepy town that illustrates how the uprising has spread. Jericho, a farming and tourist center, is traditionally a tranquil oasis where Arabs and Israelis alike

come for long lunches and languid afternoons under palm trees.

While the rest of the West Bank was burning, Jericho stayed calm. But three weeks ago someone threw a molotov cocktail at soldiers, a tourist bus was stoned and a few days later an Arab policeman was killed in a refugee camp on the outskirts of town. The army then sealed off the area for several days and detained several dozen people.

Last week, the military governor decreed that shops and the central farmers' market would be allowed to open only in the afternoon, just the time when the Palestine Liberation Organization decreed shops should close during a partial commercial strike throughout the territories.

"They just want to tell us that they control the streets," said Munther Erekat, whose family grows vegetables and watermelons. "They want to break our spirit by making us lose money."

If so, it is working. Crates of tomatoes that normally sell for up to the equivalent of \$20 wholesale this time of year are going for \$3.50. Mr. Erekat said, because customers have all but vanished. At the same time, however, the restrictions are politicizing the gen-

erally conservative farmers and turning them into smugglers. They sell directly from the fields, one eye watching for army patrols.

The verdict is still out on whether the new crackdown will succeed, but some activists welcome it.

"Collective punishment at this time is good for us," Mubarak Awad, an advocate of nonviolent resistance to the occupation, told The Jerusalem Post. "The cut-off of electricity, phones, fuel and perhaps even water means Israel is doing the job of separation for us. Collective punishment strengthens us morally, spiritually and unites us. It is our water and our spirit."

The military, made cautious by the international outcry over Mr. Rabin's previous strategies, has kept public silence on the economic sanctions. But Brigadier General Yasaov Orr, military commander of Gaza, acknowledged the limits of the army's strategy.

"The question we always ask ourselves is who is controlling the area," he said.

General Orr believes he and his men have succeeded in limiting the war on the ground between soldiers and stone-throwers, but he expresses less confidence in the effectiveness of collective sanctions.

"We prefer that the economic steps be very pinpointed against those arrested or involved in any violence," he said.

General Orr understands the limits of his firepower in Gaza, but sometimes dreams about how quickly he could suppress this revolt if he had the tools the Syrian government used in killing up to 20,000 rebels and bystanders in Hama six years ago.

"There are very nice techniques," he said with a small smile. "You could bring a tank here and fire, and everything would be fine very quickly. But you can't do it."

Instead, Israel's high-tech army is turning the clock back. Rather than concentrate on computerized weaponry for the electronic battlefield, researchers are developing fiberglass clubs to replace wooden ones, which splinter too quickly. A cannon that shoots gravel at demonstrators was recently unveiled.

And there is the bulldozer, another symbol of the army's new look. One was involved in a notorious incident in which four Palestinians were briefly buried alive. And one went to the Aziz homestead in Bireh to "take revenge" for the bus firebombing.

Do you need to say it with flowers thousands of times a day? You do if you're reaching for the sky.



We reach for the sky.

In Thailand, people are passionate about flowers. But it is the orchid which reflects so much the gentle ways of the Thai people. And this is shared with passengers who fly Thai. A gift of a fresh orchid is just one feature that's made Royal Orchid Service so famous. Thai. Centuries-old traditions. Innovative thinking. State-of-the-art technology.



TO
COOKERY
GRAMMES
JSHIBA

INTERNATIONAL Herald Tribune

Published With The New York Times and The Washington Post

The Israelis Must Decide

Yitzhak Shamir has finished his talks in Washington without, fortunately, contributing to the confrontation that some had expected to flow from American-Israeli differences over the new U.S. peace initiative for the Middle East. The Israeli prime minister expressed "strong reservations" about the international conference that the United States wants to make a tightly circumscribed introduction to early direct negotiations between Israel and any willing neighbor—in the first instance, Jordan. But Mr. Shamir will be taking his misgivings back to the Israeli political arena, which is the forum in which they must be thrashed out. Meanwhile, President Reagan is sticking to the U.S. initiative and saying, in effect with Mr. Shamir, that the Israeli public must decide.

Politically and psychologically, Israelis are divided between those who, with Mr. Shamir, would hold on to the West Bank indefinitely and those who, with Foreign Minister Shimon Peres, would try to negotiate the exchange of territory for a secure peace. Israel offers its division and its exposure to recall, and the fact of its democracy, to support its claim that it should not be pushed by its lone patron into an "imposed" settlement. To accept that argument in its entirety, however, is to invite hard-line Israelis to keep their country divided and to weigh in formally against a policy of compromise that a great many other Israelis are prepared, warily, to consider.

Early elections may be coming in Israel. Israelis voters should know that a subtle but potentially profound change has overtaken American policy and public opinion alike. The Palestinian protests have diminished

the old tendency to give embattled Israelis the benefit of almost any doubt. The emerging tendency is to be more assertive in looking for ways to combine fidelity to Israel's security and welfare with the U.S. interest in a broad Middle East settlement including the Palestinians. It is not out of line for Americans to communicate this to the Israeli electorate. It is urgent.

What has come to be called the Shultz plan has many strikes against it, starting with the Reagan administration's lame-duck status and including not only Israel's reservations but the chronic incapacity of the Palestinian national movement to organize itself for realistic negotiations. "Realistic" here necessarily means consent to an indirect formula of PLO representation, at least in the early stages. This requires a measure of Palestinian self-discipline at least as great as what is required to draw Israel into a negotiation whose outcome involves a wrenching reversal of the annexationist momentum of the past 20 years.

The Shultz plan is, as its drafters claim, reasonable and fair. It keeps as the key mediator the one country, the United States, that has a chance of dealing with both the Arab and the Israeli sides. It closely restricts the role of the other four United Nations Security Council members, none of which has earned Israeli confidence. The plan represents enough of an American consensus to be sustained through a period of divided government in Washington and through an American election year and beyond. This is what the Israelis ought to be thinking about, and Jordan and the Palestinians, too.

—THE WASHINGTON POST.

Show the Russians the Exit

If the Russians sincerely want to get out of Afghanistan, Washington should do everything reasonable to help them to do it. Now it seems that the United States and Pakistan—and perhaps Moscow as well—are trying to gain marginal bargaining advantages and are losing sight of the goal.

It looked like a watershed when Mikhail Gorbachev said he was ready to withdraw 115,000 Soviet troops in less than a year, beginning May 15—without prior agreement on a new regime in Kabul, and with a pledge that U.S. aid to the rebels would end when withdrawals began. But before the offer could be tested, Washington and Islamabad came up with fresh demands. And Moscow has veered erratically, one day saying the deal is off, the next day saying that it will withdraw regardless, on its own terms.

The Soviet position should become clearer when Secretary of State George Shultz meets in Washington this week with Foreign Minister Eduard Shevardnadze. But is the Reagan administration prepared to make the deal it has hinted at all along, namely the one Moscow now offers: Soviet withdrawal in 10 months in return for an end to U.S. aid to the Afghan resistance once the exit begins?

Washington instead now ups the ante, demanding that Moscow also halt future aid to Kabul. Is this essential, or merely pauder-

ing to congressional pressure for tougher terms? Is it not clear that Soviet troops, not Soviet arms, sustain the puppet regime? While Washington demands the unconditional, Islamabad asks the unachievable—the formation of an interim coalition regime before the pullout begins. All that unites the fragmented insurgents is contempt for the Kabul regime and refusal to participate in a coalition with Communists.

Pakistan says Afghan refugees will not return home with the risk of chaos after a Soviet withdrawal. But is continuation of a brutal war preferable? Afghans have by fierce tradition preferred a weak central authority, and even the Russians seem now to grasp the cost of offending that history.

The declared aim of the accord negotiated by a United Nations intermediary is to end an occupation and guarantee Afghan non-alignment under whatever regime Afghans shape for themselves. This is achievable and legitimate. It could bring the first retreat of Soviet forces in decades, shattering the Brezhnev Doctrine dogma that Communist takeovers are irreversible. It would vindicate the cover of U.S. aid to the Afghan resistance.

Those are big prizes—and this is a chance to be seized, not put at risk by bargaining for cosmetic advantages.

—THE NEW YORK TIMES.

Richer Than They Feel

Among the large countries, the Japanese are now, per capita, the richest. The West Germans are second and the Americans third. That is what the rise of the yen and the Deutsche mark has done to the rankings. We are speaking of gross national product per person, converted into dollars at market exchange rates. By that reckoning, Japan's GNP per person in 1987 was \$19,642. West Germany's was \$18,499 and the United States' was \$18,406.

The Japanese and the Germans probably would respond that they do not feel quite that rich and that these figures overstate their actual standards of living. And that is true. When a country's currency rises, imports become cheaper. But there is no immediate effect on most of the things on which people spend their money—housing, services or the things one eats in their own country. Rent or a haircut or a meal in a restaurant is no less expensive in Tokyo simply because the yen is worth twice as much in dollars as it was three years ago.

In an attempt to reach beyond the erratic swings in exchange rates, economists have worked out a method to compare wealth across national boundaries in terms of each country's purchasing power in its country. In these terms, the figures for 1986 (the latest available) show output per capita in Japan

and West Germany at about three-quarters the U.S. level. Those figures come about as close as possible to providing a true comparison of material standards of living. Japanese and Europeans have fewer cars per person than Americans, they have fewer television sets, they live in somewhat smaller houses that are heated less luxuriously and so forth.

But the new rankings reflect one thing absolutely accurately, and that is financial power. Market exchange rates may not provide an accurate translation of the way people live at home. But they show precisely what their money is worth as it crosses from one country to another; to buy and to be invested. Most of the world's biggest banks are now Japanese, and Germany is the powerhouse of the West European economy.

Does all this mean that Americans' incomes are fated to keep declining in relation to those of their suddenly richer competitors? Hardly. The dollar has slid downward because of a period of gross overspending and overconsumption. Americans have the power to put their economy back into balance whenever they choose. Rather than radically reversing the rankings, it is more likely that all the rich countries will converge over the next decade at roughly the same level of material wealth.

—THE WASHINGTON POST.

Other Comment

Waiting in the Stable

Halfway through the primaries, and none of the Above still leads the Democrats. Unless Michael Dukakis breaks out with a big win soon, this free-for-all could wind down to scorched earth, exhaustion, chaos—and another defeat in the fall.

No one has a shot at a majority of delegates. Except for Jesse Jackson, none of these guys turns anybody on.

About the only thing the Democrats have going for them is a tough, street-smart chairman, Paul Kirk. Mr. Kirk has streamlined the party machinery and ended the public auctions at which candidates used to have to shell their souls to interest groups. He says he will assemble the winning fac-

tions after the primaries and try to bang heads. With luck, things may be clearer then. If not, it will be a sorry session.

Mr. Kirk thinks it would be disruptive to bring in a single state at a time. But why would it? Voters simply don't like these candidates. They avoid issues, promise the moon with no hope of how to pay and (except for Alton Gray) are timid on foreign affairs.

This may be the most important election since 1932. Mr. Kirk ought to look at the whole stable, including Mario Cuomo, Sam Nunn, Dale Bumpers and Bill Bradley. Mr. Cuomo has a short fuse. Mr. Nunn is fairly conservative. But Mr. Bradley could make a great president, and Mr. Bumpers is able. Who said a party cannot pick and choose?

—Syndicated columnist Jim Fain.

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1988-1992
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUBNER, Publisher
JOHN VINOGRAD, Executive Editor • WALTER WELLS, News Editor • SAMUEL ARI, KATHERINE KNORR
and CHARLES MITCHELMORE, Deputy Editors • CARL GEWIRTZ, Associate Editor •
ROBERT J. DONAHUE, Editor of the Editorial Pages • JAMES R. CRATE, Business Financial Editor
RENE BONDI, Deputy Publisher • ALAIN LECOUR and RICHARD H. MORGAN, Associate Publishers •
FRANÇOIS DESMAISON, Circulation Director • ROLF D. KRANEFUHL, Advertising Sales Director •
KOURT HOWELL, Director, Information System

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France.
Tel. (1) 46.37.93.00. Telex: Advertising, 61399; Circulation, 61283; Editorial, 61278; Production, 63086.

Director of the publication: Walter N. Thayer.

Editor for Asia: Michael Richardson, 5 Coleman Road, Singapore 0511. Tel. 472-7788. Telex: R55692S
Managing Director: Asia: Malcolm Glenn, 50 Gloucester Road, Hong Kong. Tel. 5-801016. Telex: 61170
Managing Director: U.K.: Robin Mackenzie, 60 Long Acre, London WC2E. Tel. 836-4002. Telex: 662020
Gen. Mgr. W. Germany: W. Lautbach, Friedrichstr. 15, 10000 Frankfurt/AM. Tel. 069-270725. Telex: 43221
Print. U.S.: Michael J. O'Connell, 200 West 37th St., New York, N.Y. 10018. Tel. (212) 724-2800. Telex: 427775
S.A. an imprint of: IHT, 1000 F. R.C.S. Number B730021126. Commission Paritaire No. 61337
© 1988, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

OPINION For a Mideast Peace That Endures

By Hermann F. Eilts, Samuel W. Lewis
and William B. Quandt

WASHINGTON — In 1979, President Anwar Sadat of Egypt and Prime Minister Menachem Begin of Israel signed a historic peace treaty between their countries on the front lawn of the White House. For three of us in the audience—the U.S. ambassadors to Egypt and Israel and a member of the National Security Council staff, all deeply involved in the Camp David negotiations—there was a feeling of relief, pride and hope, mixed with some apprehension about what would come next.

Even then we realized that, without common ground between Israel and the Arabs on how to resolve the Palestinian problem, it would be difficult to make further progress toward Arab-Israeli peace. Now, as the Reagan administration tries to get the Middle East peace process restarted, we feel the time has come for the U.S. government to try to bring representative Palestinians as well as Jordan, into direct negotiations with Israel.

This is not just our personal reaction to recent events on the West Bank and Gaza. It is the conclusion of a group of 19 Americans with interest and expertise in the Middle East who have been meeting since last spring. The group's report, to be published this week by the Brookings Institution, will recommend Israeli-Palestinian negotiations within an international framework.

Much of what we propose is not so different from what the administration is attempting. But while we can admire the diplomatic tactics and the personal commitment of Secretary of State George Shultz, we wonder if the current initiative has a serious chance of success. In the best of circumstances, Mr. Shultz would be able to do little more than start a process. It is not clear that the ground has been well-prepared for peace negotiations, and the compressed period of time outlined by Mr. Shultz seems unrealistic in view of the impending Israeli elections and the complex political currents in the Arab world.

Still, we do agree with the need for some form of international framework for negotiations. We also support the idea that two related sets of negotiations will be needed, one on

transitional measures and one on the terms of a final settlement.

It is tempting to look at the Egyptian-Israeli negotiation as a model. But the West Bank and Gaza do not lend themselves readily to a straightforward application of the "territory for peace" formula from United Nations Resolution 242, as was the case with Sinai. This is why some form of transitional arrangement is essential, and why creative new political concepts involving Israel, the Palestinians and Jordan are required that would allow for shared sovereignty, joint authority, open borders and so on.

The violence of the past three months has driven home the centrality of the Israeli-Palestinian dimension of the broader conflict. Our group has concluded that, while Jordan has a central role to play, Palestinians should be represented in negotiations with Israel by spokesmen of their own choosing, whether in a joint Jordanian-Palestinian delegation or in some other configuration.

We feel that the United States



respond positively to the Shultz plan unless Moscow is already on record in support of the current initiative. We must recognize that the Soviet Union is once again active throughout the Middle East and that we will have to maintain a serious dialogue about regional issues, including the Arab-Israeli conflict.

The initial focus of any negotiations will necessarily be on transitional arrangements. But those involved must also have an idea of what will come next. We believe that America is well-positioned to articu-

late a future vision of how Israelis, Palestinians, Jordanians and other Arab parties can attain their rights to security and self-determination through some political formula based on ideas of peaceful interchange and political pluralism, and the exchange of "territory for peace" as envisaged in Resolution 242. Concepts of federation or confederation, respect for minority rights, economic development and principles of democratic governance are all potential building blocks for a just, lasting and genuine peace settlement.

Finally, we want to emphasize that the details of an Arab-Israeli peace settlement should not, indeed cannot, be successfully dictated by the United States or any other outside party. Working out the terms of an agreement is up to the parties who have to live with the results.

It is the durability of any agreement that should be foremost in the minds of Americans. U.S. interests, we have no doubt, will be well served by widening the scope of Arab-Israeli peace. How that is done is less important than that it be done, and that the process start as soon as possible. Then, perhaps, we will again witness Arab and Israeli leaders making peace with one another as they did nine years ago.

Hermann F. Eilts, ambassador to Egypt from 1973 to 1979, is director of the Center for International Relations at Boston University; Samuel W. Lewis, ambassador to Israel from 1977 to 1982, is president of the U.S. Institute for Peace; William B. Quandt, on the staff of the National Security Council from 1977 to 1979, is a senior fellow at the Brookings Institution. They contributed this to The Washington Post.

UN Resolution 242: Let the Record Be Clear

By Cyrus R. Vance
and Joseph J. Sisco

NEW YORK — Whether they support or oppose the views of Prime Minister Yitzhak Shamir of Israel, people ought to be clear about the meaning of Security Council Resolution 242 of 1967.

Mr. Shamir contends that Israel's withdrawal from Sinai satisfies the requirements of 242 and that the resolution does not apply to other occupied territories. And he rejects a fundamental tenet of 242: the "territory for peace" formula. These are not problems of technical interpretation. They are central to the question of whether negotiations can ever take place. Ruling out the "territory for peace" formula makes negotiations virtually impossible and negates any hope for progress toward peace. So does the unrealistic call by Arabs and Palestinians for complete Israeli withdrawal to the 1967 lines.

Golda Meir, Shimon Peres, Yitzhak Rabin, Ailha Eban and a host of other Israeli leaders have been clear, as has the state of Israel for years, on the following points about 242: It did not call for total Israeli withdrawal to the pre-June 1967 lines, as the Arabs and Russians contend to this day; it does apply

to all occupied territories; it is based on the fundamental principle of "territory for peace."

In November 1967, Israel held this view with the United States. The Likud's nonacceptance of this historical interpretation goes back to when the former prime minister, Menachem Begin, decided to leave the Israeli government in August 1970 because Israel accepted 242 with the clear meaning described above. Mr. Shamir says he accepts 242. Indeed he does—but only on the basis of his interpretation.

The fundamental question is whether holding on to all of the occupied territory or seeking a territorial compromise has the better chance of protecting Israel's security within defensible borders, while taking into account as well the legitimate interests of the Palestinians. These are hard and difficult choices.

But it is important that the record of Resolution 242 be clear; it applies to all the occupied territories on the basis of the principle of "territory for peace."

Cyrus R. Vance was secretary of state in the Carter administration; Joseph J. Sisco was undersecretary of state for political affairs from 1974 to 1976. They contributed this comment to The New York Times.

In Belgrade, Gorbachev Sees the Contradictions

By Susan Greenberg

BELGRADE — Mikhail Gorbachev hopes his recent visit to Yugoslavia will draw Moscow closer to the nonaligned nations and could preempt any unrest that may be festering in those countries.

But he might also reflect on some of the contradictions he witnessed as he toured a society that tries to reform while remaining a one-party state.

For years, the Soviet Union was critical of Yugoslavia's economy, based on the principle of "self-management," which devolves responsibility to enterprises and their employees. But as Mr. Gorbachev pushes ahead with the similar policy of *perestroika*—economic restructuring—Yugoslavia is now praised in the Soviet press for its "pioneering role" in this field.

To many ways Yugoslavia has gone much faster in restructuring than has the Soviet Union. Yugoslavia has not only self-management but a more important private sector and greater financial freedom—for example, to send or receive foreign currency.

But as Mr. Gorbachev himself noted on Wednesday, success depends on "decisions matching words."

No one in Yugoslavia has claimed self-management to be a success. Economic reform has proceeded in a stop-and-go fashion, which may have left the country with the worst of all worlds—no central planning and

very little real grass-roots control.

Kisko Bajalicki, a Yugoslav commentator on Soviet affairs, suggested recently that Mr. Gorbachev could learn from Yugoslavia's mistakes. "The U.S.S.R. keeps saying it's on the edge of a crisis, but we are already in one," he wrote. "I think Gorbachev will take an interest in how the country is coping."

Parts of it are coping quite well. When the Soviet general secretary visited Ljubljana, capital of the prosperous northern region of Slovenia, he saw self-management at its best. Slovenia is where most Yugoslav high-technology exports to the Soviet Union come from. But Slovenia is also the part of Yugoslavia that is most impatient with the restraints put on its development by Communist orthodoxies upheld by officials in Belgrade.

And organizations of all kinds have been pushing for greater pluralism. The Slovenian authorities recognized long ago that prosperity needs a climate of freedom, and they have tolerated a wide range of political activity.

Unfortunately, this system still relies on tolerance rather than rights guaranteed by an independent body. In addition, the Slovenians are under constant pressure from conservatives in other parts of the country and in the capital. It is a political conflict that

No Soviet Hugs or Kisses, But a Lowering of Veils

By Flora Lewis

BERN — The meeting between Soviet and American defense ministers here produced "no breakthrough," as Defense Secretary Frank Carlucci said. Still, it was a remarkable first, not springing but a sign of changing climate that can gradually lead to a dramatically different sense of the superpower confrontation.

Mr. Carlucci is approaching their predecessors embarked on the same kind of discussions. Surprisingly, Mr. Yezhov was rather less rigid and polemical in private, according to Mr. Carlucci's account, than he was at a news conference afterward.

He is a big, burly, square-faced man with unruly hair, what there is of it, and he wore his dark civilian suit unashamedly. He has none of the polish of his senior Politburo comrade, Mikhail Gorbachev. In public, he stuck to tried refrains without much effort to make the Gorbachevian "new thinking" more credible in defense affairs.

But something important was beginning to happen. The chiefs of staff of the two sides, Marshal Sergei Akhromeyev and Admiral William Crowe Jr., who met informally during the December summit meeting in Washington, are to meet again to follow up on proposals for all kinds of talks and exchanges, ranging from how to handle incidents between their forces, to sending lecturers to each other's war colleges, to discussing why they equip and train and deploy forces as they do.

It is another step in Soviet emergence from the obsession with secrecy, not *glasnost* in this case but an understanding that secrecy breeds suspicion. Mr. Yezhov said Moscow was preparing to publish data about its forces, which it normally refused to do even though the West did so.

Mr. Carlucci said that while Mr. Yezhov offered no specifics on how the change in Soviet military doctrine was being effected, the general said that

with time it would become evident from Soviet exercises and training.

Meanwhile, NATO is preparing to respond to the year-old Warsaw Pact invitation for talks on military doctrine between the alliances.

These are not negotiations, which are continuing in Geneva on missiles and space. But it can be more important if the people whose job it is to prepare for war against each other understand the other side's thinking.

Western officials tend to worry when the Russians smile, for fear the Western public will conclude that due to a no longer needed. This is due as much to mistrust of the urge to optimism in democracies as it is to distrust of Soviet intentions. It is unworthy. Surely, given adequate information the public can judge whether the actual threat from guns and tanks and missiles is receding or whether they are getting snafu oil.

That is the value that can come from these unprecedented talks as they are continued and broadened. The West, which has to publish its doctrines and procurements and budgets, can only gain by provoking the Russians to explain themselves.

Mr. Yezhov did not choose or was not able to articulate clearly what Moscow expects as well as exchange for what it already knows about the West. But obviously it is a hope to be more convincing in its assurances that it does not plan to attack.

That is what President Eisenhower was trying to persuade the Russians of when he offered his "open skies" program to monitor each other's military activities. Then, Moscow denounced the idea as spying and wrapped itself in its riddles. Technology each long since ended that issue, but at the price of an arms race that might have been avoided if there weren't such efforts at concealment and surprise.

Mr. Gorbachev's insistence on a formal communiqué with Yugoslavia hinting that Moscow no longer claims a right to support Communist regimes by force is another attempt at conciliation.

The historical possibilities of these developments are fascinating. It would be as wrong to reject them in blind cynicism as to embrace them in blind credulity.

The New York Times.

Democracy Is Peruvians' Best Defense

By Jonathan Power

LIMA, Peru — Fifteen years ago Washington was caught by surprise when Salvador Allende, a Marxist, was elected to lead Chile. The subsequent U.S.-supported coup led to the military dictatorship of Augusto Pinochet, who has ruled to this day. President Allende was assassinated by the army, thousands of people have been killed, and Chile's 150-year-old tradition of democracy was laid to rest.

In neighboring Peru, the chance of a Marxist government coming to power in elections two years hence is a real possibility. Yet Washington has paid little attention. What will it do when it wakes up this time?

History should not be allowed to repeat itself. It is not too soon to rehearse the reasons why.

Peru, one of the poorest countries in South America, is ruled by Alan Garcia Perez. At 37, he is a brilliant and dashing figure, with a flair for balcony oratory.

The country has been under democratic rule for eight years now; it led the democratic wave that has been washing the continent. But much of the glow is gone. Peru's military leaders bequeathed it an appalling legacy—a moribund economy and a mountain of debt.

Mr. Garcia tried to jolt the economy out of its rut by announcing that Peru would limit debt repayments to not more than 10 percent of its foreign exchange earnings. And he kicked off a demand-led boom that produced the highest growth rate in Latin America.

But the boom is running its course, depleting scarce reserves, driving up imports and reintroducing a trend to hyperinflation. Now, of course, no international banker wants to know about Peru. There is no one to hail the country out.

dic support. Meanwhile, the fortunes of the United Left have risen.

The United Left is a coalition of Marxist and socialist parties led by a former mayor of Lima, Alfonso Barrantes Lingán, a Marxist who placed second in the 1985 presidential election. The celebrated novelist, Mario Vargas Llosa, who today leads the rightist opposition, calls him "warm, shrewd and civilized."

To win power, Mr. Barrantes probably would need to form a coalition with the center-right Christian Democrats and smaller rightist parties, a not inconceivable scenario in Peru's convoluted political culture. He is a very different political customer from the boisterous, aggressive Mr. Allende, who shunned anyone to his right.

The political forces of the left, center and right are now even favorites in the next election. Although Mr. Garcia will be ineligible to run again, his party is better organized than its rivals; he is a master of political patronage. The right, after its stunning defeat in 1985, has recovered its step thanks to Mr. Vargas Llosa, who uses his elegant oratory to warn the middle classes that an elected Marxist government would endanger their freedoms.

The word from the U.S. Embassy here is that a Barrantes victory would not be viewed as a repeat of Mr. Allende's in Chile; Peruvian democracy will be respected, for "better or worse." One must hope that Washington listens to its diplomats.

A "Chilean" solution in Peru would give Shining Path legitimacy and resonance. For now, Peru's live-by-the-rules contains it. Respecting and reinforcing this democracy is the only intelligent option.

International Herald Tribune.
All rights reserved.

100, 75 AND 50 YEARS AGO

1888: William Mourned

BERLIN — In to-day's [March 20] sitting of the Reichstag, the President read the draft of the address in reply to the Imperial message. In it the House expressed gratitude to the Emperor [Frederick III] for overcoming all obstacles and assuming without delay the Imperial dignity with its rights and duties, and also thanks His Majesty for his assurances. The address proceeds to record the sorrow of the Deputies at the loss of the great ruler [William I] to whom, it says, Germany owes the reconstruction of her unity, and whose life was devoted to the strengthening of Germany's influence and position, who was the guardian of peace and whose efforts aimed at promoting the welfare of all.

1913: A Perfect Match

NEW YORK — After a seven months' trial of marriage, Mr. and Mrs. Carleton Wolsey-Washburne, a young couple of Los Angeles, Cali-

fornia, have issued a statement to the newspapers, the gist of which is contained in the phrase: "We are perfectly mated." Their "higher morality" wedding was denounced at the time by many clergymen as "moral anarchy." "I am my husband's equal partner," said Mrs. Washburne to-day [March 20]. "I have my separate bank account and half of all his earnings. I am in no way subject to my husband's will. The result is there has been no ripple in our married life."

1938: Protest to Franco

LONDON — The British government has addressed a strong note of protest to General Francisco Franco on the bombing of Barcelona. It was learned here tonight [March 20] that the note expresses horror at the intensification of recent bombings which have led to the loss of civilian life and points out that such practices are contrary to the principles of international law as based on established practices of civilization.

EUROBONDS

Banks Dominate Issues In Fixed-Coupon Sector

By CARL GEWIRTZ International Herald Tribune

PARIS — Commercial banks dominated the Eurobond market's new-issue calendar last week, accounting for 11 of the 24 fixed-coupon bonds that were launched.

In past years, the banks would have sold floating rate dollar notes. But that market shut down last year after investors became disillusioned over the ability to trade such instruments.

The banks can issue fixed-rate paper and swap the proceeds into cheap floating rate funds.

Because of the debt crisis, bank paper is not especially popular with institutional investors these days. As a result, the banks tap currency sectors where institutional buyers are less important than retail clients.

Dazzled by the double-digit coupons available on Australian dollar paper and near double-digits on Canadian dollars, retail investors pay more attention to the choice of currency than to the credit of the issuer.

The retail investor is notoriously unsophisticated as witnessed by the popularity of "household" names like Michelin, which has never sought a credit rating, or Kodak, whose debt was once rated triple-A but which now is officially single-A.

THE LACK of discrimination is also evident in the bank sector, where retail investors make no distinction between subordinated bank paper and senior debt.

Amsterdam-Rotterdam Bank and National Westminster Bank both issued 300 million Deutsche marks of subordinated 10-year paper last week and neither was obliged to reward investors with more generous terms to compensate for the lower ranking.

By week's end, NatWest's 6 percent bonds offered at a price of 100 1/4 were quoted at a discount of 97.85 for a yield of around 6.3 percent. Amro's 6 1/2 percent bonds traded at 97.90 for a yield of 6.4 percent.

The other bank issues were all senior debt. Both Deutsche Bank and Societe Generale Nederland tapped the DM sector with five-year notes bearing coupons of 5 percent.

At present, bankers in Frankfurt report, there is not much foreign demand for mark-denominated paper.

They predict that DM bonds, "which currently offer solid fundamental value with comparatively little downside risk," will outperform yen bonds.

Meanwhile, German investors and others on the Continent remain transfixed by high coupon paper. The currency of the month is the pound, which many analysts believe is poised to gain further against the mark.

See EURO BONDS, Page 9

Currency Rates

Table with columns for Currency, Par \$, and various exchange rates for major currencies like the British pound, Japanese yen, and Swiss franc.

Table titled 'Other Dollar Values' showing exchange rates for various international currencies such as the Australian dollar, Hong Kong dollar, and New Zealand dollar.

Table titled 'Forward Rates' showing forward exchange rates for different currencies and time periods.

Table titled 'Last Week's Markets' showing stock indices for the United States, Japan, and Europe.

Table titled 'Money Rates' showing interest rates for various financial instruments like Treasury bills and Eurodollars.

Table titled 'Stock Indices' showing performance metrics for major stock markets.

Table titled 'Money Rates' showing interest rates for various financial instruments.

Table titled 'Stock Indices' showing performance metrics for major stock markets.

Table titled 'Money Rates' showing interest rates for various financial instruments.

Telefonica Wins Contract

Will Renovate Argentine Phones

By Martha M. Hamilton and Frank Swoboda

MADRID — Spain's telephone company, Telefonica, has agreed to take over the management of Argentina's telecommunications company and invest hundreds of millions of dollars in upgrading the country's ailing telephone system.

Telefonica wooed the contract against competition from a consortium led by the West German electronics company Siemens AG.

The agreement was a breakthrough for Telefonica, in which the Spanish state has a minority stake, in its quest for an international role.

Telefonica failed last December in a joint bid with a French-owned company, Comunicaciones Chile, to acquire a controlling stake in Chile's state telephone company.

In the Argentine venture, a consortium led by Telefonica would acquire up to 40 percent of a new venture that would take over the assets of Argentina's state telephone company, Entel.

The balance would be held by the Argentine government, local investors and employees.

Mr. Solana said the consortium would invest \$750 million "give or take 20 percent" over three to five years to renovate the phone system.

As a condition of the agreement, the Argentine government has agreed to write off Entel's debts, Mr. Solana said.

The World Bank will nominate consultants to evaluate Entel's assets, while Citibank will draw up a financial package, he said.

The agreement was another step in Argentina's program of privatizing unprofitable state companies, Telefonica officials said.



Frank A. Lorenzo, chairman of Texas Air, is in hot water with his unions, the courts and Congress over his strategy for reducing costs at Eastern Air Lines, a Texas Air subsidiary.

Has Frank Lorenzo Met His Match?

By Martha M. Hamilton and Frank Swoboda

WASHINGTON — For the first time in his career at the forefront of U.S. airline deregulation, Frank A. Lorenzo may be in more trouble than he can handle.

Last week, the chairman of Texas Air Corp. found himself in hot water with his unions, the courts and the public over his high-risk strategy for reducing labor costs at Eastern Air Lines. It was so bad that, on Thursday, Mr. Lorenzo and Eastern's president, Phil Baker, were lobbying in Congress, trying to head off a strongly worded resolution calling for an investigation of Eastern and its parent, Texas Air.

At the same time, Mr. Lorenzo's lawyers were in U.S. District Court trying to fend off a contempt citation. Eastern had been cited for making major corporate changes during contract negotiations with its unions when it tried to sell its air shuttle to another of Texas Air's subsidiaries.

Meanwhile, in another courtroom in the same courthouse, Eastern's lawyers were fighting efforts by the airline's pilots to block the use of strikebreakers in the event of a labor stoppage.

Texas Air officials, fanned in by labor's counter-attack, contended last week that the unions chose "to go to the mimeograph machines and megaphones and polarize the process," as Mr. Baker put it, rather than trying to reach a negotiated settlement. But union officials appear confident that their legal and public relations campaign against Mr. Lorenzo may be paying off.

"I think it's clear the worm is turning, although I don't think it's turned," a union official said. Last October, Eastern and the union that represents its mechanics, baggage handlers and ramp workers served notices on each other to begin bargaining on a new agreement. Then on Nov. 10,

Eastern declared an impasse amid preparations for a possible April 1 strike, which the unions insist Mr. Lorenzo is counting on.

On Dec. 31, the airline's contract with the 12,000-member International Association of Machinists ended, although its terms remain in effect.

While planning for a possible strike — preparations that have cost the company as much as \$70 million — Eastern also was making plans to spin off key assets and operations to newly formed subsidiaries. Eastern unions contend that the transfers are a strategy to salvage the valuable parts of Eastern if the strike strategy fails and he sells the airline.

Mr. Baker denies that the company wants a strike and defends the spin-offs as necessary to Eastern's financial survival. He also said unequivocally that Eastern would not seek bankruptcy protection or try to sell the entire company if the airline fails to win concessions from its unions.

"We've ruled that out. Bankruptcy never has been an option," Mr. Baker said. He was equally emphatic in declaring: "The airline is not for sale. We want to make this work."

In a document circulated on Capitol Hill by Eastern management on Friday, the company said bankruptcy "dictates logic."

Union strategists assume that Mr. Lorenzo, who took Continental Airlines, another subsidiary, into bankruptcy proceedings and forced a change in labor contracts, cannot afford another such move.

The unions sought and obtained from Congress a change in federal bankruptcy laws after the Continental filing that would require the agreement of the bankruptcy court to change labor contracts. Changed federal pension laws would also make Texas Air vulnerable to claims against Eastern's pension funds.

Since Eastern declared an impasse in the talks, a bargaining on a new agreement. Then on Nov. 10,

Eastern declared an impasse amid preparations for a possible April 1 strike, which the unions insist Mr. Lorenzo is counting on.

On Dec. 31, the airline's contract with the 12,000-member International Association of Machinists ended, although its terms remain in effect.

While planning for a possible strike — preparations that have cost the company as much as \$70 million — Eastern also was making plans to spin off key assets and operations to newly formed subsidiaries.

Eastern unions contend that the transfers are a strategy to salvage the valuable parts of Eastern if the strike strategy fails and he sells the airline.

Mr. Baker denies that the company wants a strike and defends the spin-offs as necessary to Eastern's financial survival. He also said unequivocally that Eastern would not seek bankruptcy protection or try to sell the entire company if the airline fails to win concessions from its unions.

"We've ruled that out. Bankruptcy never has been an option," Mr. Baker said. He was equally emphatic in declaring: "The airline is not for sale. We want to make this work."

In a document circulated on Capitol Hill by Eastern management on Friday, the company said bankruptcy "dictates logic."

U.S. Moves To Avert a Run On FCA's Thrift

By Nathaniel C. Nash New York Times Service

WASHINGTON — In an emergency move, the Federal Home Loan Bank Board has announced that it will guarantee against loss all depositors and general creditors of American Savings & Loan Association.

American Savings, based in Stockton, California, is a unit of the beleaguered Financial Corp. of America. The announcement was made Friday after American Savings' second largest U.S. savings institution with \$3.7 billion in assets, disclosed a significant worsening of its financial condition.

In a filing with the Securities and Exchange Commission on its condition as of the end of 1987, American Savings said it had a \$106 million negative net worth, compared with a previously estimated positive net worth of \$20 million.

Bank board officials said they took the emergency steps to prevent panic among depositors and creditors.

The extraordinary public announcement was the second time in two days that a federal regulatory agency had offered a blanket guarantee to ward off possible runs at major financial institutions.

On Thursday, the Federal Deposit Insurance Corp. announced a \$1 billion interim rescue plan for First Republic Bank Corp. of Dallas. The agency said it would guarantee all deposits and obligations of the 73 subsidiary banks of the holding company, which has \$33.2 billion in assets.

Officials of the Federal Home Loan Bank said the idea of offering the blanket insurance for American Savings came from the FDIC's action a day earlier.

Banking and savings industry experts say there has been an unspoken regulatory policy since the Continental Illinois Bank & Trust Co. failure in 1984: When a big institution runs into trouble, regulators cannot let it fail, lest the reverberations injure the entire domestic financial system.

Moreover, in the case of a bank or savings institution, if the government does not guarantee deposits above the normal \$100,000 limit, these deposits would be withdrawn within days after the institution ran into trouble, accelerating its demise.

Financial experts have observed that this policy creates a double standard in the industry. In the past, regulators have permitted depositors with more than \$100,000 to lose their funds in failures of small banks and savings institutions.

The capital position of American Savings has eroded steadily over the past year as loan problems continued to mount and rising interest rates stymied FCA's plan to overhaul its problems by buying and selling a portfolio of mortgage-backed securities. The parent company had losses of \$468 million last year, including \$225 million in the fourth quarter.

In Debt Crisis, Creditors Become More Forgiving

By Hobart Rowen Washington Post Service

WASHINGTON — Until recently, debt forgiveness for troubled Third World nations was a "taboo subject." If you were to speak of it in official circles, it could only be couched in terms of such limited and familiar remedies as loan renegotiation, reconstruction, rollovers, stretch-outs, even shaving of interest rate spreads.

But wiping out the actual principal, or forgiving the interest payments, was a co-con, proposed only by academics and a few politicians such as Senator Bill Bradley, a Democrat of New Jersey.

Now, all that has changed. Because most of the less developed countries are mired in low growth, it is increasingly difficult for them to service debts that have piled up through excessive borrowing in the late 1960s and 1970s.

Total outstanding debt as reported to the World Bank zoomed from \$557 billion in 1982 to \$931 billion at the end of 1987, more than half of it concentrated in 17 major debtor countries.

Faced with this overwhelming debt, at least 10 debtor nations have stopped paying interest to commercial banks over the past half-century years. In 1987, Bolivia was allowed to buy back its bank debt at 10 cents on the dollar. Two regional banks, Bank of Boston and Riggs National Bank of Washington, wrote off some of their loans as uncollectible. Other banks scrambled to provide greater reserves against potential losses.

Outright debt relief gained its biggest backing when the United States endorsed a plan by Mexico and Morgan Guaranty to swap some of Mexico's bank loans, at a discount, for long-term bonds backed by U.S. Treasury securities.

The Mexican plan did not succeed as well as hoped, largely because the banks had no assurance that the new bonds, prior to maturing, might not suffer the same discounted fate as old Mexican debt.

In the end, Mexico obtained a reduction of only about \$1 billion in its debt, against the \$10 billion that had been hoped for. Nonetheless, the Mexican agreement holds great significance.

John Williamson, a senior economist at the Institute for International Economics in Washington, said that a precedent had been established for debt relief, "and the questions are how and under what circumstances debt relief should be legitimized," he said.

Neither commercial bankers nor the World Bank and International Monetary Fund endorse the sweeping kinds of debt relief proposed by Senator Bradley, or any of the major "debt exchanging facility"

schemes, such as a proposal by American Express Co. chairman, James D. Robinson 3d, that would call for huge cash infusions from rich nations.

Yet, a trend is in the making away from the present strategy built around the so-called Baker Plan, which contemplates debt relief, but expanded lending coupled with economic reforms among the recipient nations.

On Capitol Hill, and within the IMF and World Bank, the search is on for a plan that would cut the debt service burden of the Third World without causing the banks to swallow an enormous loss, and without requiring Congress and other legislative bodies in cough up huge amounts of new capital.

There is general agreement that, in solving the debt crisis, the first step is to stimulate economic growth in the debtor countries.

U.S. Opposes IADB Funding

By Martha M. Hamilton and Frank Swoboda

CARACAS — The Reagan administration made clear on Sunday that it would oppose new funding for the Inter-American Development Bank until the agency agrees to changes in its lending procedures.

A statement by W. Allen Wallis, the U.S. undersecretary of state for economic affairs, put an end to hopes that the two-year funding dispute between the United States and Latin American debtor countries would be resolved quickly.

"We will not change our position this year, next year or the year after," Mr. Wallis said as he arrived in Caracas for the bank's annual meeting, which begins Monday.

"It is not just the Treasury, the State Department, the White House," he said. "It is

See IADB, Page 9

Advertisement for Marks and Spencer Finance p.l.c. featuring a large figure of £150,000,000, the company name, and a list of financial institutions including Chase Investment Bank, S.G. Warburg Securities, and others.

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30. Prices may vary according to market conditions and other factors.

March 17

Dollar Straights

Table of Dollar Straights bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Australasia, Canada, France, and Japan.

Japan

Table of Japanese bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like All Japan Air, Dai Nippon, and Industrial Bank of Japan.

United Kingdom

Table of United Kingdom bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Abbey Mills, British Telecom, and National Westminster.

United States

Table of United States bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like AT & T, Amstar, and General Electric.

Non-European

Table of Non-European bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Air Canada, Alfa Romeo, and Anglo Siam.

Western Europe (Other)

Table of Western Europe (Other) bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Austria, Belgium, and Denmark.

Yen Straights

Table of Yen Straights bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like A.D.C., Amstar, and Australia.

Mutual Funds

Table of Mutual Funds, including columns for Fund Name, Assets, and various regional sub-sections like American Funds, Fidelity, and Vanguard.

DM Straights

Table of DM Straights bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Amro Bank, Austria, and Belgium.

DM Zero Coupons

Table of DM Zero Coupons bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Amro Bank, Austria, and Belgium.

ECU Straights

Table of ECU Straights bond prices, including columns for Issuer, Con, Mat, Price, Yld, and various regional sub-sections like Amro Bank, Austria, and Belgium.

Treasury Bonds

Table of Treasury Bonds, including columns for Maturity, Class, Ask, Yield, and various regional sub-sections like 15.17, 10.2, and 10.2.

NYSE Most Actives

Table of NYSE Most Actives, including columns for Vol., High, Low, Last, and various regional sub-sections like Amro Bank, Austria, and Belgium.

AMEX Most Actives

Table of AMEX Most Actives, including columns for Vol., High, Low, Last, and various regional sub-sections like Amro Bank, Austria, and Belgium.

WestLB Fixed Income and Equities Trading - for dealing prices call: Düsseldorf, London, Luxembourg, Hong Kong. One of the leading Marketmakers. WestLB Westdeutsche Landesbank

New International Bond Issues

Compiled by Aimée Porter Hardoux

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, and Terms. Lists various international bond issues from companies like ING, Delfo Stato, and others.

Europeans Criticize U.S. Farm Plan

Compiled by Our Staff From Dispatches. CONSTANCE, West Germany — European officials assailed U.S. demands for elimination of agricultural subsidies as unrealistic on Sunday...

Chafing Under WPP Yoke, 6 Resign From Lord, Geller

By Philip H. Dougherty. NEW YORK — Angered by their loss of autonomy, six top executives have left the Lord, Geller, Federico, Einstein advertising agency...

Ruling on Federated Is Blow to Campeau Bid

New York Times Service. NEW YORK — In a setback to its effort to acquire Federated Department Stores Inc., Campeau Corp. has lost a court decision that gives R.H. Macy & Co. the upper hand in the takeover battle.

DEBT: In Crisis, Creditors Become More Forgiving

(Continued from first finance page) average rate of growth we had expected was necessary, the countries overall have grown at less than one-half that rate.

IADB: U.S. Stands Firm

(Continued from first finance page) the entire administration that is absolutely firm in the position that the country is taking.

EUROBONDS: Banks Dominate Fixed-Rate Issues

(Continued from first finance page) 3.10. In addition, possible cuts in short-term British could lead to further gains in prices.

Pricing Reflects Cruel Competition

By Carl Gewirtz. International Herald Tribune. PARIS — Whether talking syndicated bank credits or issues, bankers have a complaint these days: Credit is not adequately reflected in pricing of new offerings.

Euromarts At a Glance

Table showing Eurobond yields for various maturities and currencies like U.S. \$, French francs, etc.

Weekly Sales

Table showing weekly sales for various markets including Europe, Japan, and others.

Libor Rates

Table showing Libor rates for 1-month, 3-month, and 6-month periods.

Indigo Takeoff

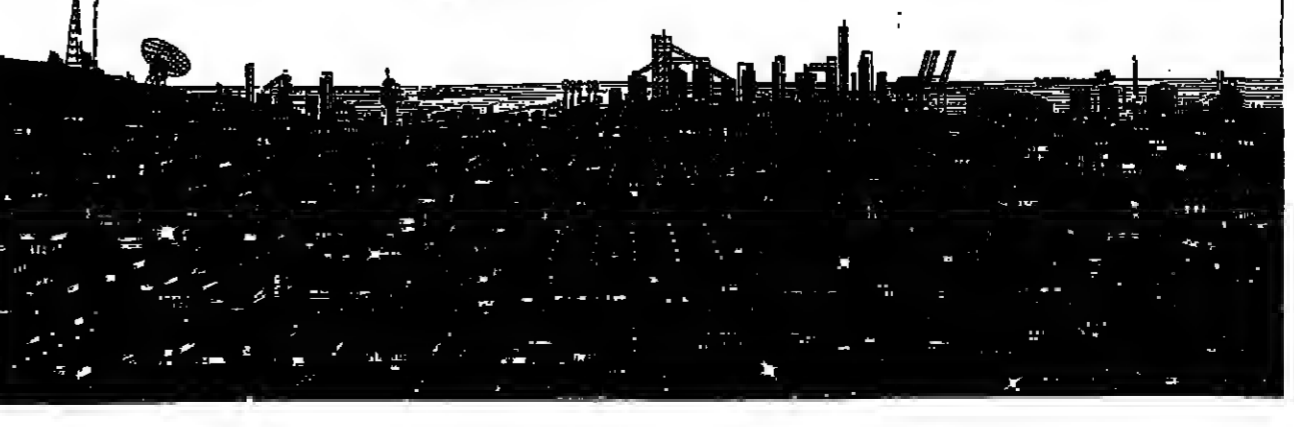
Picture 50,000 sqm of farmland, bought for a song and turned into a computer-integrated real-estate facility by an astute real-estate investor.

ARCO BLACK & DECKER BRITISH PETROLEUM CLEVELAND BRIDGE HALLIBURTON TOYO MENKA McDERMOTT SCHLUMBERGER SHELL UNION CARBIDE YORK INTERNATIONAL

What do these international companies know about Dubai that you don't?

They know that Dubai's Jebel Ali Free Zone has introduced exciting trade freedoms and benefits, enabling companies to set up trading and industrial bases easier in the Middle East.

Jebel Ali Free Zone Authority. For more information contact سلطة المنطقة الحرة جبل علي. Marketing Dept No. 24. Jebel Ali Free Zone Authority, P.O. Box 3258, Dubai, United Arab Emirates.



Leveraged Capital Holdings N.V. Curaçao, Netherlands Antilles. Notice of Extraordinary General Meeting of Shareholders. The Agenda includes a proposal to amend the Articles of Incorporation of the Company.

IAM FLAGSHIP FUND. Siège social: 2, boulevard Royal LUXEMBOURG. R.C. Luxembourg B-24759. Messieurs les actionnaires sont priés d'assister à l'ASSEMBLÉE GÉNÉRALE ORDINAIRE qui se tiendra le 6 avril 1988 à 10.00 heures.

LORENZO: Texas Air Chairman Is Meeting Resistance From All Sides

(Continued from first finance page) Federal mediator has been meeting with the two sides to try to reach a settlement, a step required by the Railway Labor Act, which governs both the rail and airline industries. As long as the mediator is involved, neither side can take action, such as a strike or a lockout.

Management and labor are working at cross-purposes, but I think more and more the unions have been able to awaken some sympathy in Congress and elsewhere," Mr. Marckesano said. He added that Eastern's overall labor costs were not out of line in the industry. As part of their strategy, the unions have moved to block transfers of assets and employees.

Mr. Bakes called the ruling "incorrect" and "extremely restrictive and dangerous." Last year Eastern had losses of \$182 million. Although the unions contend that the loss was attributable to arrangements that stripped Eastern and helped Texas Air, Eastern has a long history of financial troubles predating the takeover by Mr. Lorenzo. The recent strike has also resulted in traffic losses.

Mr. Bakes called the resolution "an absolutely uncalled for intrusion" and said he and Mr. Lorenzo had met with congressional leaders. The contention citation by U.S. District Judge John A. Pratt came after Eastern announced the sale of its shuttle for \$225 million to Air Shuttle, a new subsidiary of Texas Air.

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

Table with columns: Sales, High, Low, Close, Net Change. Lists various OTC securities and their trading activity.

Table with columns: Symbol, Price, Change. Lists major stock market indices and individual stock prices.

American Exchange Options

Figures as of close of trading Friday, March 18

Table with columns: Option & price, Calls, Puts. Lists various American exchange options.

Option & price

Table with columns: Calls, Puts. Lists various options and their prices.

Chicago Exchange Options

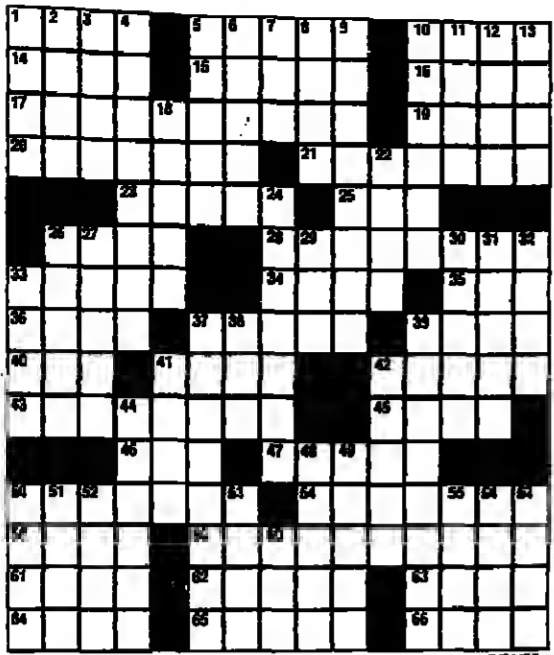
Figures as of close of trading Friday, March 18

Table with columns: Option & price, Calls, Puts. Lists various Chicago exchange options.

Option & price

Table with columns: Calls, Puts. Lists various options and their prices.

Advertisement for Toyo Trust. Features the text 'MULTIPLY YOUR FINANCING CHOICES.' and 'Talk to Toyo Trust.' with an image of a calculator and a brief description of the bank's services.



ACROSS

1 Creator of Li'l Abner
5 Home or bed follower
10 Bandicoots
14 Mountain range in the U.S.S.R.
15 Thanks, to Dumas
16 Author James —: 1909-55
17 Sacks
19 Distance measure
20 Bird dogs
21 Groups of fish
22 Express
25 Presidential nickname
26 Dreadful
28 Worked
33 Fall beverage
34 Harold of comics
35 U.N. arm
36 Linden and Holbrook
37 Factory
38 Cessation
40 Suffix with elephant
41 Part of Q.E.D.
42 Scenic view
43 Milton's "Lost"

DOWN

1 Bounders
2 "It's a Sin to Tell"
3 A tense
4 Visualizes
5 Shred
6 Succinct
7 Unit of work
8 Experts
9 Prudent
10 Heroine of an old novel or song
11 Exchange premium
12 Swiss patriot

13 Understands
18 Other: Comb. form
22 Shofar
24 Followed in turn
26 Dors or Ross
27 Loafer
29 Writing implement
30 Gigantic person
31 Wed in secret
32 Nitwit
33 Casino item
37 Religious dignitaries
38 — Vegas
39 Seat of Marywood College
41 Reduct.
42 Glossy fabric
44 Check
48 Made a mistake
49 Lascivious looks
50 Cicatrix
51 Do some modeling
52 The Dolomites.
53 Respiratory sound
57 Snow vehicle
60 Hwy.

© New York Times, edited by Eugene Malachuk.

DENNIS THE MENACE



"THIS IS MY LUCKY DAY, MOM! I GOT TO RIDE IN A TOW TRUCK!"

JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

TYPE: T _ _ _ _
I _ _ _ _
FLAUWL: F _ L _ A _ U _ W _ L _
LOONED: L _ O _ O _ N _ E _ D _

Answers: HE WAS "LOONED" (Answers tomorrow)

Friday's Jumble: LIMBO HARRY ADJON DRIVE.
Answer: If you can't lace the music, you'll never get to do this—LEAD THE BAND

WEATHER

EUROPE	HIGH	LOW	ASIA	HIGH	LOW
Algeria	9	4	Bangkok	26	22
Amsterdam	11	8	Hong Kong	18	14
Antwerp	14	10	Kobe	17	13
Berlin	10	7	Manila	27	23
Birmingham	10	7	Osaka	17	13
Boston	10	7	Seoul	17	13
Brussels	10	7	Singapore	27	23
Buenos Aires	10	7	Tokyo	17	13
Cardiff	10	7			
Cairo	10	7			
Chicago	10	7			
Copenhagen	10	7			
Dallas	10	7			
Detroit	10	7			
Edinburgh	10	7			
Frankfurt	10	7			
Geneva	10	7			
Helsinki	10	7			
Lisbon	10	7			
London	10	7			
Madrid	10	7			
Moscow	10	7			
Munich	10	7			
Nice	10	7			
Oslo	10	7			
Paris	10	7			
Prague	10	7			
Rovaniemi	10	7			
Rome	10	7			
Stockholm	10	7			
Sydney	10	7			
Vancouver	10	7			
Vienna	10	7			
Zurich	10	7			

MONDAY'S FORECAST - CHANNEL: Slightly rough. FRANKFURT: Rain. LONDON: Partly cloudy. PARIS: Partly cloudy. ROME: Partly cloudy. SYDNEY: Partly cloudy. TOKYO: Partly cloudy.

SPORTS

France, Wales Are Rugby Co-Champions

SIDELINES

Alpiger Wins, Zurbriggen Clinches DH Title

ARE, Sweden (AP) — Karl Alpiger won the men's downhill season finale on Sunday as Pirmin Zurbriggen, his Swiss teammate, clinched his second straight World Cup downhill title.

Alpiger, winner of just one previous cup downhill, was clocked in 1 minute, 44.48 seconds. Zurbriggen, the Olympic downhill titlist, finished 12th, but took second place in the combined and regained his cup overall lead from Alberto Tomba of Italy, who won a slalom here Saturday. It was the fifth slalom victory of the season for Tomba, who has clinched the cup slalom title, and his eighth overall.

Zurbriggen became the first skier to win consecutive cup downhill titles since his teammate Peter Müller in 1980 and 1981.

NFL's Redskins Sign Marshall, a Free Agent

CHICAGO (AP) — Linebacker Wilber Marshall became the first major National Football League player to change teams as a free agent when the Chicago Bears let him go to the Washington Redskins by refusing to match Washington's five-year, \$6 million offer by the Friday-midnight deadline.

As compensation, the Bears will receive two No. 1 draft picks from Washington, one this year and one in 1989. The only other NFL free-agent transfer took place 11 years ago when Norm Thompson, a cornerback, went from St. Louis to Baltimore. The inability of players to change teams after playing out their options is a major argument cited by the players' union in its anti-trust suit against the league.

Marshall signed an offer sheet from the Redskins for a guaranteed \$6 million over five years, in addition to a \$500,000 signing bonus and no-trade clause for the first year. The Bears had a week in which to match the offer or lose Marshall, a four-year veteran.

Marshall, 25, becomes the highest-paid defensive player in pro football history. The size of the deal and the movement of a player of Marshall's age and ability could mean that salaries will escalate as owners turn to free agency to build their clubs.

England's tournament tally of 56 points for and 30 against gave it an aggregate margin of plus 26, compared to plus 15 for Wales (57-42) and plus 10 for France (57-47). English forwards were dominant in all or most of each of their four matches. Now that backs are finally scoring, the squad can set out in May for a tour of Australia with more confidence than had seemed likely.

In Cardiff, the match to determine supremacy in Europe was devalued by the weather. Steady rain made for an afternoon of awkward stops, brilliant starts and sudden frustration for both teams. The slippery ball was a puzzle to handle.

"It was a tragedy that some of the surest hands and most inventive brains in world rugby should have spent so much of the game scrambling for control as clumsily as sumo wrestlers fighting for the shower-room soap," The Observer lamented in London on Sunday.

It was a memorable match all the same — for the stakes, the effort and the suspense. During 55 of the regulation 80 minutes the score was even. France led for five minutes in the first quarter and for all of the last quarter. Near the end, Wales was back within one point and anything could still happen.

Fullback Paul Thorburn, for twice passing the wrong way in Welsh attacks, and flyhalf Jonathan Davies, for kicking possession away too often, will be criticized for weeks to come. Thorburn's lack of flair under pressure vindicated the selectors' early-season preference for rookie Tony Clement, later ruled out by injury. And when both the need for Welsh points and the ardor of French defense grew more urgent in the final quarter, Davies kicked aimlessly, looking as perplexed as if he had blown a fuse.

Thorburn brought Wales level, 3-3, with a penalty goal in the 18th minute after the first of Jean-Baptiste Lafont's two, Robert Norster's pack was on top in the tenuous and surprising French with its aggressiveness and skill in the scrums. Loose forwards Richie Collins, Paul Moriarty and Kowland Phillips were all over the field like a rash, as New Zealand might put it.

The French made mistakes, but the initiative was Welsh and France grimly withstood it. Late in the third quarter, French weight and cool finally turned the tables long enough for Lafont's second penalty and the decisive try.

An explosive wrestling struggle, No. 8 Laurent Rodriguez and head of his pack delivered the ball to fullback Serge Blanco to send fly-half Jean-Patrick Lescaurbaun bringing to the Welsh line near the left corner.

Wales fought back with a try by right wing Evans, converted by Thorburn, but the French held.

Both teams desperately overran the high point, and Blanco was the hero of France's afternoon for his secure fielding under pressure.

The French said they played for their captain, Daniel Dubroca, who retires from international play at the end of this season. It was quite a send-off — first place outright or shared for the third year in a row, an unprecedented third consecutive French victory in Cardiff, a sixth consecutive defeat of Wales by the same country for the first time ever.

There were as many tries as penalty goals in the tournament this year (31 of each) for the first time since 1980, thanks to England's last-day explosion after three tryless outings. Still wind that hand-capped kickers on several of the five Saturdays was also a factor. Last year saw 31 tries and 43 penalty goals in the 10 matches, and the year before it was 34 and 58.

Azinger Golf Leader

ORLANDO, Florida (AP) — Paul Azinger struggled to a 73 on a windy course Saturday and saw his lead shrink to one shot over Tom Kite after the third round of the Bay Hill Golf Classic golf tournament.

Azinger, the leader throughout the tournament, was 8-under-par at 205. Kite shot a 69 and was at 206, followed by Dave Eichelberger, who fought his way to a 71/208.

Andrew Magee, in second place after shooting a 70 on Friday, was at 209 after a 74. On Friday, Azinger ploughed through occasional showers to a bogey-free 66 that had given him a four-stroke lead.



Pierre Berbizier, France's scrumhalf, passing to his backs from a scrum despite pressure from his Welsh counterpart, Robert Jones.

Solution to Friday's Puzzle

DIET SWEAT EICOL
EDGE ERATO MADE
BEARORIVER DINE
TOLERATE SATIRE
NIGIE MOBILE
MORALE MARK USE
CHASE STONE SNIP
LILA ETON OAMNE
VELDT ABE LARGE
HEROD SPAR
SPACER STARTERS
IAGO SADALMELIK
LAUD ORATE SEMI
TREE NAKED TEEN

PEANUTS



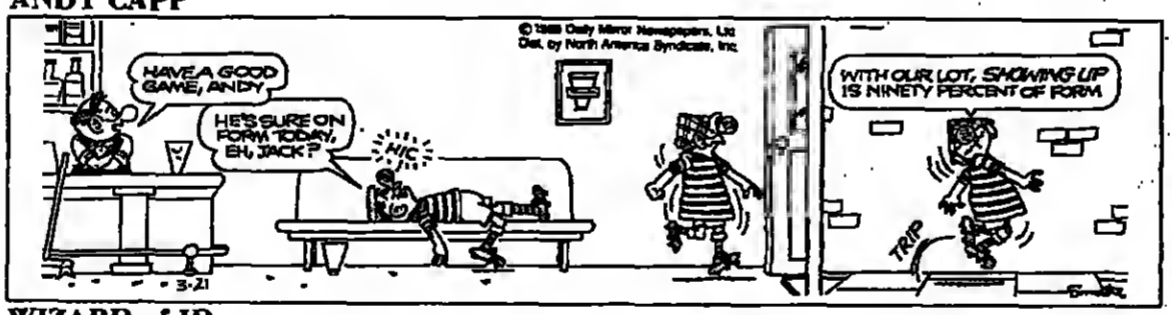
BLONDIE



BEEBLE BAILEY



ANDY CAPP



WIZARD of ID



REX MORGAN



GARFIELD



WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam

The Amsterdam stock exchange last week was buoyant as firm analysts said.

Reasonably good company reports released recently and optimism about the U.S. trade deficit led to some gains during the week. On Thursday the U.S. Commerce Department announced that the merchandise trade deficit for January widened slightly to \$12.44 from \$12.2 billion in December, but the figure was better than most estimates.

The ANP-CBS general index rose 9.3 for the week to 250.6, a gain of nearly 4 percent. Volume reached 6.868 billion guilders, against 7.653 billion the previous week.

Frankfurt

Stock prices rose for the week, as the Commerzbank index closed at 1,857.5, up 65.4 from the previous Friday.

Analysts said favorable factors included good performance by U.S. and Japanese stock markets, the dollar's rise and good business earnings reports.

Volume on the eight West German stock exchanges totaled 16.97 billion Deutsche marks, against 10.67 billion the previous week.

Hong Kong

The Hong Kong exchange finished the week at its highest level since the October collapse. The key Hang Seng index closed Friday at 2,607.60 points.

Average daily volume dropped to 1.14 billion Hong Kong dollars from 1.37 billion.

Buyers were encouraged by the U.S. trade figures, dealers said. But they warned that the Hang Seng's 150-point advance since March 1 could unsettle the market and lead to lower prices this week.

London

It was a week of consolidation for the London Stock Exchange in active trading. The Financial Times industrial share index rose 26.9 points for the week to close at 1,476.8.

The announcement on Tuesday of a budget surplus of more than £3 billion for 1988-89, £1 billion more than most estimates, and news of the replacement of higher tax rates by a single 40 percent rate were received with caution by the market.

Investors were reserved, worried by the pound, which rose above 3.10 Deutsche marks in midweek. Thursday's half-point cut in interest rates to 8.5 percent, an effort to stem the pound's rise, had little effect on the market.

Milan

Milan stocks had another good week in active trading, with a record daily volume of almost 400 billion lire on Friday.

The Comit index closed at 3,453.07 for the week, against 3,068.87 the previous Friday. About 368 million shares changed hands.

Trading was again dominated by blue-chips as Fiat rose by 6.71 percent, Montedison 11.24 and Olivetti 10.94 percent.

Paris

Trading was quiet on the Paris stock exchange, and most of the small gain in the CAC 40 index on Friday, after announcement of trade figures.

The CAC share price index finished at 294.8 the previous Friday, against a low 650 million francs a season-monthly settlement market.

Analysts said that uncertainty surrounding presidential election and President François Mitterrand would be a factor in re-election was keeping many investors away from the market.

Singapore

Share prices continued to climb in active trading in Singapore, with the Times Industrial Index hitting a high of 1,100.

The key market barometer finished at 1,100 points Friday, for a gain of 19.23 points the week. Good corporate results for local companies contributed to the solid performance.

Volume for the week rose 14.03 percent to 154.4 million shares valued at 272.9 million Singapore dollars.

Tokyo

Share prices soared in heavy trading on Friday for the first time since October's market collapse, but fell back later in the day.

Trading was heavy, with average daily volume of 1.34 billion shares, against 1.08 billion the previous week. Average daily volume value terms rose to 1.18 trillion yen from 1.0 trillion.

The market was closed Saturday through Monday for a regular business recess and national holiday. It will reopen on Tuesday.

Zurich

Prices overcame an initial hesitant mood to rise moderately for the week.

The Credit Suisse index closed at 465.1, against 458.4 a week earlier, and the Swiss Bank Corp. indicator at 516.1, against 526.2.

Analysts said prices were helped late in the week by the U.S. trade figures and by some good results from big Swiss companies.

De Benedetti Is Amassing Cash

MILAN — The Italian entrepreneur Carlo De Benedetti has filled his coffers to finance his drive for control of Societe Generale de Belgique by selling his food businesses to Nestle SA of Switzerland, analysts say.

Mr. De Benedetti and Nestle, one of the world's biggest food concerns, said Friday that Nestle would buy the activities of Mr. De Benedetti's Buitoni SpA for 1.6 trillion lire (\$1.29 billion).

Analysts speculated that Mr. De Benedetti had agreed to sell the business to help fund his costly battle to control Generale, Belgium's largest company, which he wants to use as a linchpin for a pan-European conglomerate.

"The de Benedetti group was not really buying for cash. It did not have to sell Buitoni," said a Milan financial analyst who asked not to be identified. "But de Benedetti has spent a lot more than he originally planned for Generale."

"This deal gives his group more liquidity to maneuver with. De Benedetti likes to have cash. He doesn't like to finance with a lot of debt," the analyst said.

Nestle has allied itself with Mr. De Benedetti in the Societe Generale battle by taking a minority stake in his new Belgian holding company, Europe 92.

Belgian brokers estimate that Mr. De Benedetti has spent more than \$1 billion in fighting a Belgian-French alliance for control of Generale, a conglomerate with holdings in more than 1,300 companies around the world.

But a spokesman for CIR SpA, Mr. De Benedetti's main holding group, said that the Buitoni agreement was not related to the takeover battle and that CIR had been negotiating with Nestle for about seven months.

He said CIR planned to use proceeds from the sale to bolster its main activities in food processing, financial services, auto components and publishing. He added that acquisitions in those sectors would be studied.

CIR controls the French auto-parts maker Valeo and Mr. De Benedetti's French-based holding company, Cerus. In Italy, its various interests include key stakes in Olivetti SpA, which Mr. De Benedetti is chairman.

"It really makes sense for De Benedetti to move out of the food sector," said Maurizio Keith at ARK Securities in London. "To take on big players in the food sector, as Nestle, Buitoni would need to make a lot of investments."

Buitoni and its subsidiaries employ 800 people, operating primarily in Italy and France. The group had 1987 revenue of 2.8 trillion lire and net profit of 51 billion lire. De Benedetti acquired the unprofitable Buitoni in 1983 for about 160 billion lire.

Buitoni went on a buying spree after returned to profit. But Mr. De Benedetti's move to become a force in the food sector hit a snag when the government blocked Buitoni's purchase of a big state-run food group, Societa Meridionale Finanziaria SpA, or SME.

A court ruling on an appeal by Mr. De Benedetti's expected in late April, but even if he wins control of SME, he is likely to sell food making units, the CIR spokesman said.

SPORTS

Temple, Streak at 17, Stifles Georgetown

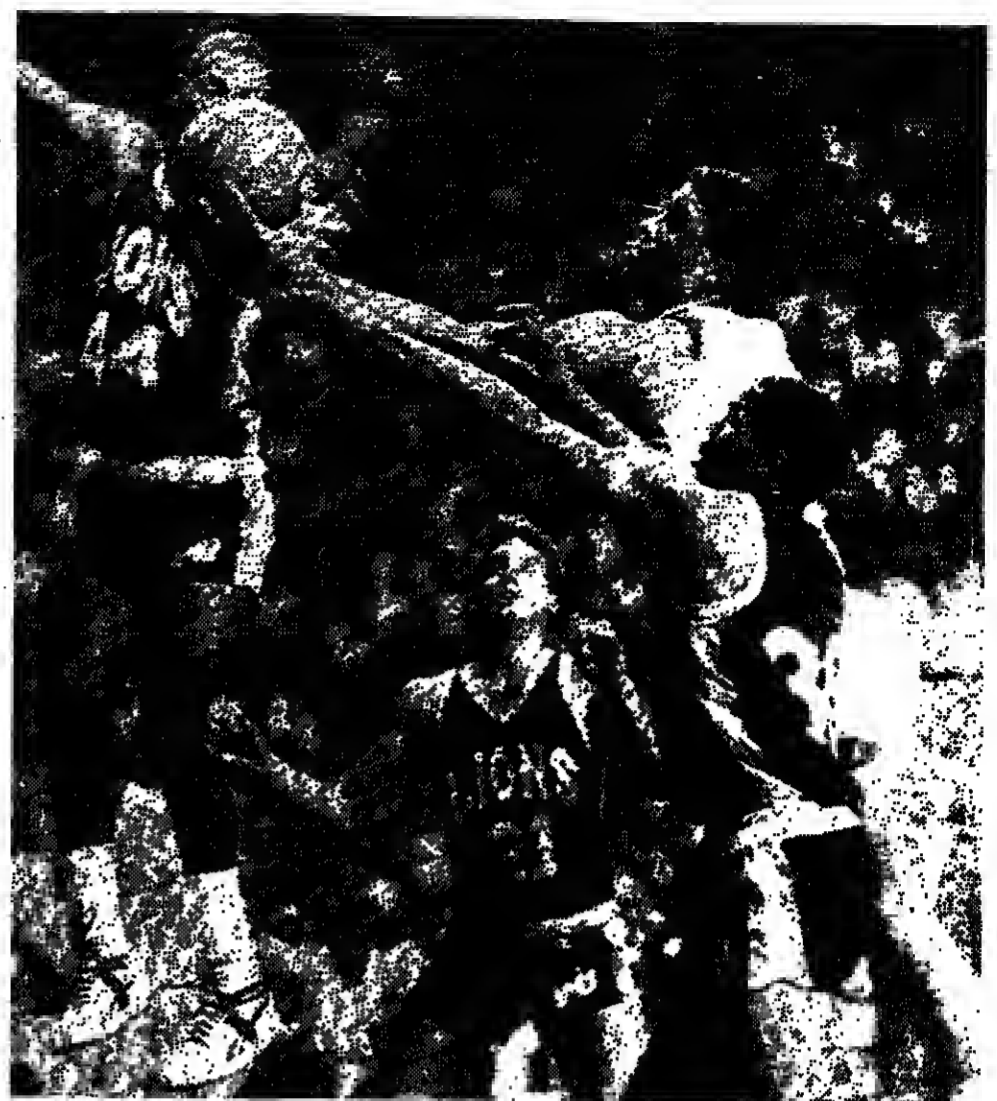
HARTFORD, Connecticut — Top-ranked Temple, led by Mark Mason and Mike Vresnyk, outscored Georgetown...

ens said there were demeaning remarks from Syracuse players during the game. "They were talking most about playing some weak Atlantic 10 team," Owens said.

16:39 remaining. SMU, led by Todd Alexander with 17 points, ended its season at 28-7.

Saturday, Glen Rice had 39 points, one short of his career high, as Michigan ran up a lead of as many as 27 points in an easy victory.

Todd Mitchell scored all but one of his 15 points in the second half, and No. 3 Purdue came alive to beat Memphis State on Saturday...



Amid a pack of Loyola defenders, Rick Fox scooped in a rebound Saturday in Salt Lake City. Winning by 123-97, North Carolina State NCAA tournament records for points scored and for field-goal accuracy on 79 percent shooting (49-for-62). It also ended Loyola's winning streak, the nation's longest, at 25.

Murray State Jolts NCS, 78-75

LINCOLN, Nebraska — Jeff Martin scored 23 points Friday night and Don Mann had 16, including two free throws in the final 19 seconds, as Murray State, 22-8, upset 14th-ranked North Carolina State, 78-75, to advance to the second round of the Midwest Regional of the NCAA basketball tournament.

Before the regional competition, Coach Jim Valvano of North Carolina State said the first game of the post-season tournament is "by far the most difficult to win. And his 14th-ranked Wolfpack, another favored to beat Murray State, came one of the biggest upset victims this season.

Kentucky 99, Southern 84: Ed Davender scored 30 points and Rex Chapman had 23 to lead No. 6 Kentucky over Southern.

So, Mississippi Opens Defense With Victory

HATTIESBURG, Mississippi — Derrek Hamilton scored 18 points and Randolph Keys provided a second-half spark Friday night as Southern Mississippi opened the defense of its National Invitation Tournament championship by defeating Clemson, 74-69, in a first-round game.

people we can still play ball," said Keys, who scored nine points in the second half. "We knew if we lost, that was it for the four seniors."

10-0 run included two free throws and a basket by Hamilton. John White and Keys added 13 points apiece for the winners; Campbell led Clemson with 16.

SCOREBOARD

Table with columns for Basketball, NCAA Tournament Results, Schedule, and various regional scores.

European Soccer

Table listing European Soccer results, including English First Division, French First Division, and others.

Hockey

Table listing Hockey results, including NHL Standings and various league scores.

Most of the Unknowns Still Just That

By John Feinstein Washington Post Service SOUTH BEND, Indiana — Most of the unknowns are gone. North Carolina A&T, Southern, Cornell, Eastern Michigan, Lehigh and Boston University have left for home.

lowed by Illinois (23-9) against Villanova (22-12). The Wildcats beat Illinois early in the season in Hawaii, but the Illini, noted in recent years for postseason failures, have played well the last three weeks.

The senior center may have been the most dominant player in the Big East during the last month of the season and started the tournament with 30 points and 12 rebounds against Texas-Espero. Without Tolbert, Arizona is dim up front and Seton Hall, with recent victories over Pittsburgh (twice), Villanova and Georgetown, has proven it can play with anybody.

National Basketball Association Standings

Table showing National Basketball Association Standings, including Eastern Conference, Central Division, and Western Conference.

World Cup Skiing

Table showing World Cup Skiing results, including Men's Slalom, Giant Slalom, and various skier names.

Transition

Table showing Transition results, including various league scores and player statistics.

Advertisement for SEIKO featuring a watch and the text 'OFFICIAL TIMER SEIKO'.

